THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING AND THE BANKERS' MAGAZINE

CONSOLIDATED.

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NOTICE.—The BANKERS' MAGAZINE having been consolidated with RHODES' JOURNAL OF BANKING the volume number of the former only is retained.

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RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. JULY, 1897. VOLUME LV, No. 1.

THE AGRICULTURAL PAPERS of the country as a rule seem to be opposed to or ignorant of the principles of sound finance. Some of them devote considerable space to attacks on the national banking system and endeavor to convince their readers that what they call the consolidated National banks are engaged in squeezing the remainder of the business community and especially the agricultural portion of it.

The defects of the national banking system under present laws are recognized by all financial authorities, but these defects consist in too great restriction of the circulation privilege rather than too little. The National banks of the country to-day have a paid-in capital of over $600,000,000. This amount of capital would entitle them to issue $540,000,000 of circulating notes upon a deposit of $600,000,000 of bonds. Now if there is so much profit in the issue of circulating notes as the traducers of the system claim, why do not the National banks deposit the bonds and take out this circulation. The total amount issued by the National banks is about $200,000,000, or $340,000,000 less than they are entitled to issue under the law.

In answer to an inquiry one "Farm Journal" says that a National bank of $100,000 capital makes a net income of $8,500 from the circulation privilege, figured as follows:

Interest on $100,000 four per cent. bonds	$4,000
" $90,000 bank notes at six per cent	5,400
Total	$9,400
Deduct one per cent. per annum tax	900
Net income	$8,500

The paper adds: "The interest being paid in advance, usually compounded every three months, and often from seven to ten per cent. charged instead of six, the net income is probably a thousand dollars a year greater than above given."

That is, the writer in the "Farm Journal" solemnly assures its readers that a National bank with a capital of $100,000 derives from the fact that it is a National bank and has a privilege of issuing circulation on bonds, unjustly denied "to merchants, manufacturers, and farmers," an income of nine and one-half per cent. on its capital! Why do not the banks then issue $540,000,000 circulation as the law permits them instead of only about $200,000,000? Do they know they are losing every year the chance of making nine and one-half per cent. on $340,000,000, a nice little annual loss of $32,300,000.

The National banks in 1896 paid about $45,000,000 in dividends and said they had hard work to do it. If these Shylocks had not been so stupid they might have made $32,300,000 more out of circulation, so our agricultural litterateur says, and doubled their dividends. National bank managers may not be Shakespeares or Miltons or even competent to run a farm journal, but as a rule they can see a chance to make money as quickly as any one. If there were such possibilities of profit in National bank circulation as the rural editor solemnly assures his readers, does any sane man believe that the National bank directors would let $32,000,000 slip through their fingers every year for the last twenty years? Such a statement staggers the most credulous. These lies about profits on National bank circulation are, as Prince Hal said to Falstaff, "gross as a mountain, open, palpable."

The question which the man who tries to fool farmers was called upon to answer was, How much more can a National bank make by using its circulation privilege fully on a capital of $100,000 and putting up $100,000 in bonds and taking out $90,000 in circulation, than it could by loaning the $100,000 directly at current rates of interest? He does not answer this question at all. He simply makes some assertions which are as disconnected from the required comparisons as an airship is disconnected from the moon. The way to answer that question is as follows, and when the proper answer is made it shows why the National banks take out only $200,000,000 in circulation instead of availing themselves of their full privilege and taking out $540,000,000.

Any five persons who possess $100,000 can invest it in a National bank to take out circulation, or they can loan their $100,000 without organizing a National bank.

Supposing the current rate of interest is six per cent.; our five investors conclude to organize a National bank. They first buy $100,000 in United States bonds, four per cents. These bonds will cost them $110,000 at present rates. So at the very start they have to borrow $10,000 to enable them to buy their bonds, and pay six per cent. for it. They receive $90,000 in circulation and loan it at six per cent. Now how does the account stand?

Interest on $100,000 four per cent. bonds		$4,000
Interest on $90,000 circulation at six per cent		5,400
Total		$9,400
Deduct interest on $10,000 borrowed at six per cent	$600	
" One per cent. tax	900	
" Cost of plates, printing and redemptions	50	1,500
		$7,900

The net income from the bank's circulation privilege is therefore $7,900. The question is how much greater is this than could be made by loaning the $100,000 directly at the current rate of interest. At six per cent. the $100,000 would bring in $6,000. The circulation privilege is therefore worth one and nine-tenths per cent. when the current rate of interest is six per cent. But as the current rate of interest rises the profit on circulation decreases. Supposing it to be ten per cent., the account would stand as follows:

Interest on $100,000 four per cent. bonds		$4,000
Interest on $90,000 circulation at ten per cent		9,000
Total		$13,000
Deduct interest on $10,000 at ten per cent	$1,000	
" One per cent. tax	900	
" Cost of plates, etc	50	1,950
		$11,050
$100,000 loaned direct, at ten per cent		10,000
Profit		$1,050

The profit on circulation is reduced to about one per cent. when the current rate of interest is ten per cent. Instead therefore of a National bank with a capital of $100,000 having an advantage of $8,500 per annum over a merchant or farmer with the same capital, the bank at six per cent. makes less than two per cent. on circulation, and at ten per cent. a little over one per cent. This explains why more circulation is issued in the Eastern and Middle States where interest rates are low than in the South and West where interest rates are high.

But there is still another source of loss that reduces the small advantage apparently derived from taking out circulation still more. The ten thousand paid in premium is, if the bonds are held to maturity, a total loss. The National bank is chartered for twenty years and the four per cent. bonds come to maturity in 1907. When the Government pays the principal of these bonds only the face value is paid. In ten years therefore a premium of $10,000 will be wholly lost and this if averaged over the whole period would be a loss of $1,000 per annum.

It is not difficult therefore to see why the National banks refuse to avail themselves of a privilege to issue circulation which gives so little profit that it is not worth the extra trouble and expense attendant on the issue. In fact there are very few merchants or manufacturers or farmers, with equal capital, who would be content with profits usually made in banking whether carried on by State or National banks.

The greatest possible proof that National bank circulation is not profitable however is that banks entitled as they are by law to issue $540,000,000 in notes, actually issue only about $200,000,000. This is the defect in the financial laws of the country, including the banking laws. The banks find the circulation field so filled with Government notes and silver certificates and are so hampered by the difficulty of procuring bonds at reasonable prices that they can not aid the business community by the necessary issues of notes. This is made cause of complaint against them. But the moment any one proposes to remove these difficulties and enable the banks to render service to the public by the practical use of their notes, then a host of objectors arise who go all lengths in preventing any reform. They unjustly attack the banks because crippled as they are they find it impossible to grant necessary aid to the business public, but at the same time remonstrate against any proposition to restore these institutions to a condition of useful vigor.

PLANS FOR RETIRING THE LEGAL TENDERS are discussed in the letter of a correspondent printed in another place. He presents some interesting questions in regard to the retirement of these notes, some of which have already been raised in the MAGAZINE. One question is, How can the Government procure the gold to retire the legal-tender notes in the manner formulated in the bill of Mr. FOWLER for currency reform. That plan undoubtedly procures the necessary means by the issue of long time two per cent. bonds. These bonds, it is expected, will be taken by the banks and used as a basis for the greater part of their circulating notes. The legal tenders are to be deposited with the Government as a portion, fifteen per cent., of the required reserve on deposits. In exchange for this deposit the Government is to furnish the banks with an equal amount of gold coin.

The MAGAZINE, in stating in the April number that there were other ways to retire the legal-tender notes by which the Government would be put to less expense than by the issue of bonds to procure gold, was in error in assuming that the FOWLER plan was one of these, although that plan would reduce the expense by diminishing the interest on the bonds to two per cent. The approbation of the FOWLER plan should have been more clearly founded on this reduction of expense, and not on the intimated fact that no bonds would be issued under it.

The general plan for retiring the legal tenders has been by the sale of bonds in open market to the public at large. To successfully obtain gold by this method would require the payment of higher rates of interest, than where the bonds are issued to the banks to be used as a basis for circulation.

In other words, the banks in exchange for the circulation privilege could afford to take lower interest bonds in exchange for gold than could the general public which has no circulation privilege.

In this sense the FOWLER bill is a less expensive method of retiring legal tenders than the plan hitherto pursued of issuing four and five per cent. bonds to maintain the reserve necessary for their incomplete and imperfect redemption.

But the FOWLER bill was not the only plan to which the MAGAZINE had reference. The plan suggested by the Editor of the MAGAZINE at the convention of the American Bankers' Association in Baltimore involved no issue of bonds, and contemplated the substitution of a bank currency for legal-tender and Treasury notes at little or no expense to the Government. This plan required the banks to deposit the legal-tender and Treasury notes as security for their circulation instead of bonds. Thus a bank entitled by its capital to receive, say, $90,000 in circulation, instead of depositing as now required $100,000 in bonds, would be required to deposit $70,000 in legal-tender or Treasury notes. That is, for the amount deposited, the bank would become entitled to issue 130 per cent. in circulation.

It was calculated that if the legal-tender and Treasury notes were used as security instead of bonds that the whole amount would soon be deposited by the banks. This result attained, the Government would have the whole of these notes now payable on demand in gold in its own possession in the form of a trust fund. No one except the banks could then make any demand upon it for gold. The banks could get back the deposit they had made only as they retired circulation. This retirement of circulation would be unprofitable and would only be made by banks going into liquidation or for other exceptional reasons. When a bank however did see fit to retire its notes and demand back its security, the Government under this plan was to pay gold coin to the bank instead of the notes deposited and cancel the latter. The legal-tender and Treasury notes would thus be taken out of circulation at once. Their place would be supplied by bank notes.

These notes would be redeemable at the bank counters, and when the public desired coin they could get it by presenting bank notes at the banks or at the agreed redemption centres. The Treasury would still hold the $100,000,000 gold reserve, which it could fall back upon whenever any bank retired its circulation and demanded the return of its security. The actual exchange of gold for the legal-tender notes would thus be extended over a period of twenty years or more. The necessary gold to redeem the aggregate sum, starting with the $100,000,000 already in the Treasury, could be collected from the surplus revenues of twenty years or more. An annual appropriation of twenty millions would be all that would be required. The gold for the final redemption and cancellation of the legal-tender and Treasury notes would thus be procured without the issue of bonds, and without any appreciable increase of taxation. In the mean time the Government would pay no interest. The banks merely step in between the Government and its demand obligations and give the Treasury, in exchange for the circulation privilege, ample time to economize and use its natural resources.

This plan is less expensive than the FOWLER plan, as the latter is less expensive than the proposition to procure gold to redeem the legal-tender notes by an issue of bonds for general investment.

Our correspondent refers to the statement made in the MAGAZINE that "the silver certificates will take care of themselves as a subsidiary currency," and adds: "But plainly the silver dollars, not the silver certificates, are the real trouble."

If the legal-tender and Treasury notes are retired, and a bank-note currency substituted for them, then the paper currency of the country would consist of this bank-note currency and silver certificates. The silver certificates are not redeemable by the Government in gold, except in the remote contingency referred to by Secretary CARLISLE in his letter. The bank-note currency would however be redeemable in gold, and for that portion of the exchange business of the country requiring gold, the public would be able to obtain the gold coin by presenting bank notes for redemption or by checks on their bank accounts. For the very large amount of internal exchange business the silver certificates would continue to be used as they are now. They would be kept in constant circulation by business demand. They would be paid into the banks as deposits, and paid out to the large number of those requiring cash in their business in regular course.

In this way if the silver certificates are not augmented too greatly they will circulate and be maintained at par in the same manner as a subsidiary coinage is maintained at par, by the constant demand there is for it. There might be times when this subsidiary currency of silver certificates might be redundant, but the knowledge that in the last resort in order to maintain parity the Government would redeem them in gold, would prevent them from depreciating. But even if this be disputed it would be easy to avoid all difficulty by requiring the banks exercising the circulation privilege to give their notes for them in certain limited amounts—just as the Government now redeems the minor coinage. It is believed that if the RHODES plan of retiring legal-tender and Treasury notes were adopted that the silver certificates would thus be taken care of. This plan transfers the burden of maintaining the currency at par in gold from the shoulders of the Government to the banks, although the latter receive the support of the Treasury in times of panic if such could arise under this system. The notes of the banks, in addition to the fund held in trust by the Treasury, would be as now a first lien on all of their assets. The ultimate security would be impregnable. There would be no way in which the Treasury could be raided unless we conceive of a general collapse of the banking interests of the country.

The system could moreover be made still stronger by the regulation of the denomination of bank notes and silver certificates. The bank notes should be confined to denominations of ten dollars, thus making a demand for silver certificates in fives, twos and ones—or better still restricting both bank notes and silver certificates to denominations of ten dollars and over, thus creating a larger demand for the silver dollars themselves.

AN AMERICAN "CREDIT FONCIER" is proposed in a plan recently formulated for presentation to Congress, the institution to be founded on lines similar to the Credit Foncier of France. This institution is suggested to fill a place in the United States not occupied by the National or other banks for the purpose of making advances on landed security.

It is claimed that in this country there is no organized system of making loans except to large merchants or traders, and that there is no way in which a small farmer or trader or mechanic can obtain the loans he may need except by going to some private money loaner.

It is no doubt true that the banking institutions of European countries are more careful to provide for small loans than institutions of a relative rank in the United States; but in this country there are notwithstanding a large number of small banks from which small loans may be and are obtained by farmers, small traders and mechanics. Loans on land too are readily obtained at reasonable rates of interest in most parts of the country. It is to be doubted whether the lack of banking facilities said to exist here is due, if it exists, more to the character of the country, its customs and institutions than to the form in which our banks are organized. That is, even if a large corporation were formed for the purpose of affording relief to those who are said to be without banking opportunities, it is a question whether even this new corporation would afford the relief any more than the banks that already exist. The conditions in the United States differ from those in European countries, in the greater mobility of the population. There is no check whatever on the free movement of citizens from State to State, from city to city. In European countries the whereabouts of every citizen is pretty closely kept track of by passports. The distances are less. A small trader or artisan making a small loan is more apt to be easily traced when the loan is payable. In this country there might arise difficulties in collection that do not exist in European countries of smaller compass.

In regard to land also there is a difference. Prices of real estate, and especially of farming land, are more stable, and there is not such an indefinite quantity, as in the United States, of wild land that may be brought into competition with that already under cultivation and depress the price of the latter.

To sum up, all these conditions are more stable in European countries than in the United States. Moreover, agriculture is protected in most of those countries by bounties and prizes of various kinds.

There have already been established in the United States a large number of mortgage companies which have loaned on land with more or less success, and whether a new institution on the lines of the Credit Foncier of France would be more or less successful in filling the alleged void in banking facilities, is questionable.

The Credit Foncier itself was not an unalloyed success even in France. When started the mania of launching new enterprises was at its height in France. While this lasted the profits of the Credit Foncier were large; but as said here the boom ceased and the company found itself loaded with a mass of depreciated and unsalable securities. The value of its shares fell with reduced dividends.

The experience of a Credit Foncier in England was on much the same lines with those of the French institution. The result has been that in the end the loans made by the Credit Foncier come to about the same character as those of other banks and finance companies. The business which it was especially organized to do proved in the end unremunerative and even injurious. It is highly probable that a Credit Foncier in the United States would have the same experience. At first all kinds of new enterprises would apply to it for assistance, and the profits would no doubt be large, but in the end the new institution would find itself reduced to business of the ordinary character.

The loans of the Credit Foncier in France on land amounted in 1872 to 45,482,242 francs divided among 1,156 borrowers. There is another institution in that country called the Credit Agricole, which discounts bills on personal and other security for persons engaged in agricultural pursuits. In the same year this last-named institution had discounted bills to the amount of 248,000,000 francs. It paid a dividend of fifteen francs for each 500 franc share, or three per cent.

While the custom of European countries is to establish large institutions for the various branches of banking one or two of which in each country cover the whole field, the custom in the United States is to divide any given kind of financial business among a great number of small banks or companies. In almost every town of any importance in the United States to-day will be found either a National, State, private or Savings bank—started usually by local enterprise. The National banks are compelled by law to do a purely commercial business. The confidence which their Government charter inspires with the public generally gives them the refusal of the best line of deposits in their locality. They can generally also have the choice of the best loans. They are not permitted to loan on real estate security. In the older sections of the country the State banks and private banks enjoy as much confidence as the National banks. They are usually allowed by law to loan on real estate security, and in farming communities there is usually little difficulty in obtaining loans on land, or on personal security backed by land.

In fact, after careful consideration of the whole subject, it is impossible to endorse all that is said about the lack of banking facilities in any part of the United States. Where these facilities are said to be deficient it will usually be found that the real deficiency is in adequate security. In the South, for instance, it is said that there is a great lack of banks. Land there is very cheap and is not attractive as a collateral. But there is no doubt that in the South money can be borrowed by any one who can offer security that will in case of necessity sell for the amount of the loan. On the other hand no one can obtain a loan in any European country, even those having what are acknowledged to be the best banking facilities, unless he has either personal security or collateral of some kind to offer. Another thing, in any section of country where the laws are enforced and where there is land or personal security, it would not be long before a bank would be established. In fact capital continually seeks such opportunities.

It seems therefore that there is very little reason for establishing a great institution on the lines of the Credit Foncier, under a Federal charter, if the only reason for doing so is lack of banking facilities in any part of the United States. In fact the signs are that the United States is at present over supplied with banks. At all the meetings of the several bankers' associations are heard complaints of competition, of scanty profits for increased labor. The reports of the Comptroller of the Currency support these complaints by showing a falling off in dividends.

The advocates of these new institutions have a perfect right to advance any arguments that seem appropriate in their favor, but it is probable that on a careful examination of all the facts, in congressional debate, the apprehension of a lack of banking facilities for any one who has security to offer for a loan will be found to be groundless.

THE BIMETALLIC LEAGUE OF ENGLAND held its annual meeting in Manchester on June 2. The exercises appear to have consisted chiefly of the reading of letters of regret from distinguished bimetallists who for one reason or another were unable to attend the meeting. Most of these letters were, it appears, merely formal, as no extracts from them were deemed worthy of telegraphing to America for the comfort of the bimetallists of the United States; but the letter of Lord ALDENHAM, whose name when he was Mr. GIBBS was very prominent at all bimetallic conferences, contained some words deemed worthy of publication. The optimism of the average bimetallist has it is believed already attracted much attention, but Lord ALDENHAM'S ability to extract comfort from what would generally be regarded as gloomy surroundings exceeds the extractive power of the man who drew sunbeams from cucumbers. Mark Tapley, whose capacity of being jolly in the midst of fever and ague and mosquitoes, was portrayed by DICKENS, is rivalled by Lord ALDENHAM. He considers the greatest evidence of the progress of the cause to consist in the famous resolution of the House of Commons in March, 1896—which was never brought to a vote—and in the promise of the Chancellor of the Exchequer to do all he can to facilitate the mission of Senator WOLCOTT and others sent from the United States to bring about an international monetary conference.

Lord ALDENHAM, notwithstanding these great signs of progress, does not speak very hopefully of England, as he writes that their objects would be gained if the United States and France or some other great commercial nation would carry the matter through even without England; which is much the same as saying that if the matter were somehow carried through, it would be carried through, and so no doubt it would. But some men gain a reputation for greatness by always confining themselves in their statements to aphorisms and self-evident truths.

He thinks the United States means business or the President would not have sent Senator WOLCOTT and his colleagues to negotiate.

He adds that the League should not relax its efforts to secure the wisest solution. The only other feature of the meeting was the report of the League, which affirmed that never since 1873 were the prospects so hopeful. This appears to mean that the prospects were brighter than now in 1873 or at least equally bright, and that in the interval they have been darker.

As 1873 was the year in which the awful crime against silver was committed and is a date which no genuine bimetallist can mention without demonstrative language, this part of the report is upon close analysis not so hopeful as it looks. To the silver men of the United States who look upon President McKinley's international conference as a fraud and delusion, the hopeful attitude of the English bimetallists must seem very funny.

The transfer of the bank-note redemption fund to the general cash assets of the Treasury a few years ago was alluded to in the June number of the Magazine, it being stated that this transfer was made for the mere purpose of making a monthly statement show a surplus instead of a deficit.

In a letter published on another page of this number, Mr. Edward O. Leech, former Director of the Mint, criticizes this statement, although he does not deny that such a transfer took place, but says it was made under Act of Congress on the recommendation of Secretary Windom. He adds that this fund was transferred at a time when the Government had a large surplus, and therefore it could not have been done "for the mere purpose of making a monthly statement show a surplus instead of a deficit."

No slur was intended upon either the distinguished Secretary or upon Congress. The purpose of the statement was to show that a trust fund set apart ever so solemnly by governmental power at one time might be diverted from its original status by governmental power at another.

As to the purpose of the transfer being "to do away with the necessity of holding in the Treasury a large sum in cash as a special fund," the Editor of the Magazine accepts Mr. Leech's correction. Making this change does not in the least weaken the use of the transaction as an illustration of the point intended to be made in the article in which the statement criticized occurred. This point was that the necessities or convenience of a sovereign state had in the past and might in the future alter the destination and change the legal status of any fund entrusted to any Government.

Mr. Leech virtually states that the transfer did not arise out of any real existing necessity but simply as a matter of convenience to the Government, making it unnecessary to hold in the Treasury a large sum in cash as a "special fund." At the time the transfer was made there was no occasion to increase the surplus shown by the monthly Treasury statement, but it has occurred since that if it had not been for this transfer the Treasury statement would have shown a greater or less deficit. Therefore, although the transfer did not have this purpose in view at the time it was made, it has nevertheless served this purpose since.

In referring to the management of the Treasury the MAGAZINE means to call attention to it as a continuing governmental function without reference to the party that may be temporarily in power or the individuals who exercise that power.

The transfer of the bank-note redemption fund to the general cash assets of the Treasury, although not yet resulting in any injustice, is a bad precedent which may cause trouble at some future time. At least the power of Congress to do what it chooses with a trust fund has been asserted.

THE ABUSE OF CREDIT was ably discussed in the address of Mr. JAMES G. CANNON before the recent convention of credit men in Kansas City. The address was in part devoted to depicting the benefits of a system of cash payments not only to the seller but to the buyer. At first sight it would appear that an association of men who live entirely through the system of giving credit would not care to have the practice of paying cash for all purposes become a universal one. In such an event their occupation would be gone. The credit man would no longer be a necessary fixture in every place where business is transacted. But Mr. CANNON'S address was directed of course against the abuse of credit rather than against its legitimate use, and as there is no danger that the system of doing business on credit will ever be entirely superseded by the cash system, there is no harm done by dwelling exclusively upon its disadvantages until the benefits derived from it both by traders and the public are somewhat thrown into the background.

After every panic and during every period of financial depression it is usual to hear the credit system blamed for all the evils of the occasion, and this is no doubt logically correct. For if every one settled all of his transactions immediately in cash there never could be any financial panics. There never would be any care or worry. Every one would retire at night free from the thought of bills to meet and notes falling due on the morrow.

It is the attainment of this financial Utopia that lies at the bottom of the ideas of those who are continually clamoring for the inflation of the currency. If there was abundance of money easy for every one to obtain, then every one would be a ready and willing customer. Traders, merchants, salesmen and drummers would have an easy time. Sales would be frequent and profits immediate. But so long as money possesses any real value it will necessarily be difficult to obtain and in the past history of every country where cash payments have been the usual rule of business, the scarcity of money has always stifled enterprise and prevented the development of resources. The credit system in the modern sense has grown up with the development of banking. The invention of banks enabled this great extension of credit to take place by economizing the use of money, and permitting enormous transactions by means of exchanges.

In new countries the use of credit is never so extended as in the older ones. In the United States, for instance, settlements are made much more frequently than they are in England. Thus the banks in the New York Clearing-House settle daily at the clearing-house, and on the New York Stock Exchange daily settlements are the rule. In London stock settlements are made fortnightly. Throughout the more thickly settled parts of the United States bills are rendered at least monthly and often at the end of each week. In London quarterly settlements are the rule and bills are permitted to run longer on an average, among similar classes of customers, than they are in the cities of the United States. This is due to custom, to the greater capital employed in England, to the greater stability of population in that country and also to greater uniformity in the laws of collection. In the United States there is more change in population. A man may do business in one State this year and may change his residence and business the next. All of these factors tend to render the duties of the person who determines the granting of credits more difficult and delicate in this country than in England.

The machinery of credit however properly directed has a great influence on the success of business. While it is true that on a strictly cash basis a business can be run at lower prices and quicker profits, it is also true that the class of customers who can pay cash for everything they need either for domestic and personal use or for business purposes, is a comparatively small one. The largest part of the population must have time in which to carry on the operations of their daily life. It is in the recognition of this fact that the credit man has his reason for existence. The part of the population that requires time for its operations is as has been said immensely in the majority. They must have time and they must pay for it. It is here that distinction in prices is to some extent already made, and it should be made to a still greater extent. As people acquire capital they are enabled to join the ranks of those who pay cash.

Credit business properly conducted has however as sound a basis as a cash business. Its disadvantage is that it is liable to greater abuse. But this is a fault in common with all methods either mechanical or otherwise by which great progress is attained. The dangers of railroad travel are greater than those of the old-fashioned stage, but who on this account would abandon railroads and return to the tally-ho except for an expensive amusement. The possible dangers of depositing money in banks are greater than those of keeping accumulated money in private chests. The bank may fail and wreck thousands, when an occasional robbery might only ruin one person at a time.

The credit system, like every other great institution, has its margin of possible disaster. There is undoubtedly a class of people who dishonestly take advantage of it. But this class bears no greater proportion to the honest debtors than do those who beat their way on railroads on passes or otherwise to the honest paying travellers, or the forgers and swindlers who prey on banks to the great mass of honest customers. It is with this margin of dishonesty that the credit men have to deal.

The cause which credit men have at heart is to be advanced not so much by the advocacy of cash payments as by consistent and united study of the field, greater knowledge of the means, business, and characters of those seeking credit. Customers should be classified according to their standing in these respects and prices fixed to correspond.

It is the great competition among business men that has produced many of the evils with which credit men have to contend. The association will not be able to cure all these evils, but by exchange of experience and information, and by faithful adherence to adopted rules it can accomplish many results. The preservation of good faith in any association of men for mutual benefit is of the highest importance. There are unfortunately many who regard associations as a sort of trap for possible competitors. They join such a combination, make rules that they hope will bind the great majority and then break these rules for their private advantage, looking on this course of procedure as a mark of their superior intelligence. To prevent this kind of cut-throat action associations should be so strongly organized as to be able to enforce penalties.

THE SUICIDE OF BARNEY BARNATO, the famous South African speculator, closes the career of a person who in this age and generation has rivalled CAGLIOSTRO in his environment, and JOHN LAW in his. Like the great professor of Egytian masonry and gold cook the origin of BARNATO is involved in mystery. Like him, too, BARNATO, after his rise to fame, published for the edification of the world a fictitious account of his origin.

BARNATO is said to have been the son of a Jewish ragpicker in the Whitechapel district of London, and that he earned pennies by turning cartwheels in the street to amuse the passengers in omnibuses. He went to South Africa and made a living as an acrobat and hanger-on of a circus. Then he tried peddling, drifted to the diamond mines, and finally began his career of fortune by buying stolen diamonds. He is said also to have discovered the value of the Kimberly mine and to have sold his claim to it for $10,000,000. He then went to the gold fields and after a time combined his interests with those of CECIL RHODES.

In company with other South African speculators he next turned his attention to the London market. After something of a struggle and lavish spending of money he secured a following in the London Stock Exchange and obtained the entry to the aristocratic circles which he deemed useful for his purposes. He started the Barnato Bank and created such a furor that shares of mining interests of the nominal value of £50,000,000 were sent up to a market value of £215,000,000. Even the original value of the shares represented an enormous profit to BARNATO and his allies. The crash finally came and thousands of confiding dupes were ruined.

The financial history of BARNATO bears a striking resemblance to that of JOHN LAW in France. Both men were adventurers. Just as LAW secured the confidence of the Regent and the French nobility so BARNATO became popular with the aristocratic element of London. They both used the same means of duping the outside public. Both of them were confidently trusted to turn everything they touched into gold. Both of them enriched their decoy ducks at the expense of the gullible public. There are however apologists for JOHN LAW who credit him with a mistaken but genuine faith in the financial methods he employed and who regard him as the victim of his own delusions. No such mistake can be made about BARNATO. He appears to have been callously cynical. When he had an elaborate biography prepared representing him as having a respectable origin and having passed his earlier years in the charge of "private tutors," he spoiled the effect by treating it as a huge joke in his conversation with intimates. He was expelled from South African clubs on account of the unconventional character of his language to his associates. In fact if there was one thing for which he was distinguished above another it was his outspoken frankness of expression of opinion of his numerous dupes.

He appealed entirely to the love of gain inherent in all men and he appears to have thoroughly understood the best method of reaching the confidence of the London public through that inherent snobbery of which THACKERAY was such an amusing and vivid portrayer.

In the United States we are accustomed to wild speculations. We have had plungers like JIM FISKE and IVES, but none of them ever went to such lengths in this new and enterprising country as BARNEY BARNATO did in the old settled financial circles of London. With his genius for speculation, and his knowledge of the motives which will start the streams of wealth from other men's pockets to his own, he probably would have run a parallel course in any field he had chosen to select.

That he chose the great centre of the world's accumulated wealth only proves the magnitude of his audacity and his daring ambition.

When his dupes are considered the same inducements are found to prevail that have always led men into these disastrous results. When FERDINAND WARD held out his profitable grain contracts to the public in New York in 1881 and 1882, there must have been men among those who put in their money who knew well the nature of the speculation. They understood the game, perhaps. They knew WARD must be paying the enormous profits on the earlier contracts from the investments made in the later. But they had the self-conceit or the confidence in their own ability to get out in time and to let the devil take the hindmost.

Such a man as WARD or BARNATO could not succeed if among some innocent dupes he did not have a numerous following of knaves who are only duped by their blind confidence in superior knavery. They knew no doubt that WARD was engineering a gigantic swindling scheme, but in their supreme self-conceit they trusted to use him just long enough to pull their own chestnuts out of the fire.

Fortunately a number of these overshrewd gentry always accompany the innocent dupes into the heat of the final conflagration. This was the case with BARNATO'S following also. Many of those whose appeals for sympathy and whose denunciation of their leader are loudest and most affecting are doubtless in this category.

The history of BARNATO and his kind only shows the truth of the saying that civilization is only skin deep. Scratch a professor and you find a Tartar.

With all the improvements and means of information of the nineteenth century, with all its education and culture, the same lures skillfully waved appeal to human greed just as they did in the so-called dark ages.

RUSSIAN AND JAPANESE FINANCES.

In adopting the gold standard both Russia and Japan appear to have changed their gold coins to correspond with the gold value of their silver coin previously the standard. They have diminished the amount of gold in their gold coins. The Japanese for instance have reduced the value of the gold in the gold yen one-half, with the result that the actual market value of the silver bullion in the silver yen will now nearly equal the market value of the gold in the gold yen; as the silver yen will under the new regulations become a subsidiary coin the slight difference in value will be of no importance.

If the United States were to pursue the same course it would have to reduce the weight of gold coins about one-half. But what can be done without injustice in Japan would be robbery of the public in the United States.

In Japan all business has been done hitherto on the basis of the silver yen. All engagements and contracts have been made on this basis, and debts are all payable in this coin.

In this country on the contrary the gold dollar has been the basis of all business transactions since 1879, and every debt would be reduced arbitrarily in value by reducing the value of the gold dollar.

The gold yen did not circulate to any extent in Japan and when it did its value in the payment of debts was measured by the silver yen.

If the United States had been on a silver basis before 1873 and had made all its bonds and currency payable in silver dollars; if all private contracts had recognized the silver dollar as the dollar meant when the contract was made, during the time that has elapsed since the resumption of specie payments, then by reducing its gold coins in value it could have followed the example of Japan and Russia without injustice to its citizens.

Both Russia and Japan are countries that bear a similarity to the United States in that they are developing natural resources to an extent unknown in other nations of the same rank. They have apparently arrived at the conclusion that to do this successfully they must have the assistance of foreign capital, and that in order to secure this cheaply they must make it plain that all obligations are to be met on the gold standard. Hence their adoption of this standard.

It has been claimed that the silver standard has been an advantage to Japan in building up her manufacturing interests. Perhaps this may be true from the standpoint of the employer of labor. If the silver standard enables him to pay wages in silver, and sell his product for gold, there may be some foundation for this claim.

But if it is necessary to procure outside capital to build up the enterprises engaged in, the small gain there may be in being able to take advantage of the labor market is more than offset by the increased difficulty of borrowing.

Nor can the conditions, which it has been claimed render the silver standard beneficial to the manufacturing interests of Japan, be thoroughly understood here. The population of Japan from which the labor is drawn differ in education and in disposition from the corresponding classes in the United States. It would seem to be no argument for the silver standard with the people of this country that it enables the manufacturing interests to cheapen labor. However this may be the Japanese Government, whether influenced by a desire to benefit labor at the expense of capital or not, has decided that the gold standard will be for the greatest benefit of the whole country.

Like Germany after her successful war with France, Japan has obtained a large sum of money as indemnity from China. Germany seized the opportunity afforded by the money paid her by France to place her finances on what the most advanced civilization considered the best and safest basis on which to found the general prosperity of the nation. Japan is following in her footsteps.

Russia, without resources wrung from her enemies, is doing the same by her own efforts.

In the United States alone there is still shown some disposition to retrograde from a sound financial position.

NATIONAL BANK CIRCULATION.—The circulating notes of the National banks, which began to increase with the depression in the price of bonds, and the issue of $262,000,000 of new bonds, reached its highest point in January of the present year, when it stood at $213,186,711. Since then the amount has been gradually growing less.

The course of circulation after the panic of 1893, under the various conditions as to bonds and demand for currency which have existed since that crisis, has shown that the system would, under any fair circumstances, easily furnish all the paper circulation required by the country; but at the same time indicates the truth of what has always been said in regard to a circulation based on bonds, that while it to a certain extent responds to the demands of business, yet its chief fluctuations are due to the fluctuations of the bond market.

In the financial difficulties of the Government the National banks have always done their part in coming to the rescue. Just as they afforded a market for a large part of the national debt immediately after the Civil War, so they have, since the crisis of 1893, absorbed a respectable portion of the new issues rendered necessary by that crisis. On April 30, 1897, they held of the new issues, $50,878,900. This is a very fair proportion, nearly one-fifth of the whole issue, considering the restricted conditions under which they could base circulation upon these bonds. But the lack of other good investments combined with the desire of protecting deposits was the chief reason for this large purchase of bonds and increase of circulation.

The fault inherent in a system of circulating notes based on bonds will at once be seen as business improves and there comes a healthy demand for money for business enterprises. As the price of Government bonds improves, as will be the case with the improvement of the condition of the Treasury and the return of prosperity, the banks will begin to retire their circulation and realize the premium accumulating on the bonds. Thus there will be a tendency to the contraction of the currency at the time that there is an increasing demand for it.

THE BEGINNINGS OF BANKING.

[Address of ISAAC LOOS, Professor of Political Science, State University of Iowa, before the recent convention of the Iowa Bankers' Association.]

It is a saying at least as old as Aristotle, but quite modern in the vernacular of our students of evolution, that if we would understand a complicated and difficult subject we must resolve it into its elements, we must study it in its beginnings, we must observe its origin. But it is with diffidence that I venture to address you on the origin of banking. For we must regret with Robertson that in searching for what is instructive in the history of past times, we find "that the exploits of conquerors who have desolated the earth, and the freaks of tyrants who have rendered nations unhappy, are recorded with minute and often disgusting accuracy, while the discovery of useful arts, and the progress of the most beneficial branches of commerce are passed over in silence, and suffered to sink in oblivion."*

I invite you to a consideration of the several stages in the evolution of modern banking. It must be confessed that the subject is not an easy one, that it is beset with intricacies, and that the student who undertakes to get really at the truth of things has much uncertain ground to cover. Much of our information now in the books is legendary. A good example of a long accepted and oft repeated legend is found in the statement of our encyclopædias and the numerous articles concerning the origin of the Bank of Venice, that it was organized on the basis of a public debt in A. D. 1171. Professor Charles F. Dunbar, in an article in the "Quarterly Journal of Economics" (Vol. VI. p. 308), shows from the researches of two Italian students that the date 1171 for the beginning of the Bank of Venice must be regarded as not correct. By a great mass of evidence he shows that the beginning of *public banking* in Venice falls into the latter part of the sixteenth century. The question of the origin of *private banking* remains an obscure one. But there is no doubt that private banks and private bankers were well developed and established before the era of public supervision and control began.

I shall undertake to trace first, the evolution of private banking; secondly, the beginnings of legislative enactments designed to check private abuses and control the business of banking in the public interest; thirdly, to note the beginnings of public banking, the assumption on the part of the State of the monopoly of banking; and, fourthly, the conduct of public and private banking side by side, with special notice of free banking and the limitations in this fourth stage upon the privilege of note issue.

THE MONEY CHANGERS THE FIRST BANKERS.

With a unanimity of opinion that seems conclusive the first bankers were the money changers. In the ancient and mediæval world foreign trade was intercommunal rather than international. Trade was carried on between

* Quoted in Gilbart, Principles of Banking, Rev. Ed. p. 1.

independent communities of which there were hundreds or a thousand then where now there is one. So it was necessary for every city with any pretentions, every city with a market, may it have been ever so narrow, to have a place where the different coins from the several mints and countries could be exchanged against each other. The Greeks, Romans, Jews, all the commercial nations of antiquity, had these money changers. These money changers were our first bankers. We have various names to describe their business. The Greeks called them among other names by a term meaning table, and in like manner the Romans called them *mensarii* (from *mensa*, meaning table), just as we call them bankers, from the bench or counter, the table on which they piled their money. In the later Roman period they were more commonly called by the Romans *argentarii*, that is dealers in silver, just as in modern England they were for a long time known as goldsmiths—the goldsmiths standing for much more than what their name now suggests. In the documents of the Middle Ages they are much referred to under the name *campsores*, and occasionally by terms which describe their character as joint-stock companies placing their moneys into a common pile or *mount*.*

For the definite and undisputed beginnings of banking in the modern sense we must go to Italy of the earlier middle age. That somewhat similar practices prevailed among the commercial people of antiquity may be almost taken for granted. They were, however, probably not acquainted, certainly not to the extent to which we are, with certain credit papers. We know that the Roman law recognized an elaborate body of principles as underlying credit transactions, though we are not sure of the extent to which they had organized their international, or better, their intercommunal exchange. They were accustomed to keep book accounts—the system of bookkeeping by double entry comes from them. They transferred debts by written documents; they had the conception of an instrument of exchange as a document or record of debt.

During the Middle Ages intercommunal trade was carried forward on a cash basis.† Buyers and sellers assembled in the same place, and the sellers brought with them their wares to exchange against money. On the other hand, as we have already said, coins and coinage were in such condition as to require the utmost care to provide against loss and uncertainty. Coin systems changed usually from city to city, and frequent tampering with the weight and fineness of the money pieces and the forced circulation of domestic coins, made the occupation of the money changers not only important and even necessary but remunerative as well. Buyers with cash in hand needed to change their coins against the money demanded by the seller or the seller would accept a coin only to exchange with that of his own land, and this accommodation was readily afforded by the dealers in all the varieties of the varying mints.

But there were other difficulties which the ingenuity of the merchants in the course of time overcame—two of these conspicuously were the inconvenience of counting large sums of money and the still greater inconvenience of transporting large sums of money over distances sufficiently great to be burdensome and costly. The journey from the fair or market-place to the merchant's place of residence was not unaccompanied by dangers to the per-

* Cf. Crump, Manual of English Banking, Ch. I.

† Cf. Knies, Der Credit, I, 164.

son of the merchant, and still more was the danger if he carried on his person or in his train a considerable bag of money. It is one of the occupations of the story teller who deals in mediæval life to paint for us graphic situations of assaults, of robberies and of escapes. If we consider on one hand the cost and the dangers of this transportation and on the other hand its inconveniences as the merchant offered his wares from place to place and journeyed from city to city for purchasing perchance a return cargo, we might well foresee that some way would be devised to dispense with it all. The first difficulty was overcome by the invention of book credits, and the remedy for the second was found in the device of letters of exchange—bills of exchange we call them now.

The business of money changing developed into a great business and the successful men in these pursuits were able to establish branch offices in different parts of the world, and when they could not do this they were able to arrange with friends engaged in the same occupation to recognize each other's calls, and so avoid not only the cost of transportation for particular merchants but to reduce this cost in their own interest. No sooner was this device well established than it was seen that only balances needed from time to time to be transported, and these only at fixed periods as we so well understand at the present time—bankers understand them well. The multitude can not yet see that money is not the only medium of exchange, that in the greatest transaction of modern business money is merely a counter, a standard by which we reckon values—while the exchanges of commerce are conducted by a system of book credits often without the intervention of as much as a copper.

There are on record certain legends purporting to say who first drew a letter of credit. It is entirely possible that so simple a transaction as this no doubt was to the first parties to it, received little notice on the part of the participants. Only these plain and very simple assumptions underlie the transaction: that there were at the beginning, as now, two parties in distant places known to each other, one of whom asked the other in writing to grant a certain favor in the form of an advance in money to a third party or bearer present in the place of a second party and known to second party or reasonably capable of being identified to the second party, the second party being in a position and having the will to do so, complies with the request of the first party, and the letter of credit is realized. But it is not yet an institution. It becomes a permanent part of the ordinary intercourse of business life, an institution, only after repeated and customary practices of this sort establish themselves. It is entirely probable that the earliest letters of credit —bills of exchange—were begotten under circumstances of extraordinary emergency, for in commerce and commercial exchange, no less than in other human pursuits, necessity is the ever fertile mother of invention. When men have come to write about them and to talk about them they may be assumed to have already become a part of the ordinary intercourse of life among the chosen few whose purses, or those of their friends, are of sufficient dimensions to be recognized across seas or across portions of a continent. It takes a much longer step and requires additional time and the gradual development of a machinery for the transfer of credit before unknown parties can be thus accommodated. When they are so accommodated it is through agencies which make that their business. The first agencies of this sort were, of course, the money changers, the primitive or primary bankers as we have already denominated them.

THE MONEY CHANGER EMERGED INTO THE MODERN BANKER.

The beginning of the use of letters of credit dates from the period of the Crusades. During these centuries the centers of trade greatly multiplied, and great fairs came into vogue, at the end of which it was customary to set apart a week for the balancing of accounts between the money changers. Such balances were occasionally paid in exchange by letter and present money was exchanged against absent money (*praesentem pecuniam pro absenti pecunia*). It was customary to acknowledge "value received." The penalty for drawing a letter on another place where the drawer had no deposit—no money—was immediate and severe; and it is a tribute to the merchant class that so early was good faith warranted that the use of these letters of credit became general. Let us retrace now the steps so far taken and anticipate those which follow. First, there was the money changer who conducted his business on a cash basis. To this was joined the gradual development of orders drawn from one place on branch houses or friendly correspondents in other places. Briefly, we observe, the money changer is turning into a modern banker as we saw him gradually developing the bill of exchange or letter of credit and the transfer of book credits. The oldest banking paper, therefore, is not the bank note nor the check, but the draft or bill of exchange. The next step or another step in the development of the money changer into the banker is taken when he begins to make short time loans; the third when he receives deposits and lets these for short periods, giving deposit receipts entitling holder to demand money on call; and the fourth or last when these deposit receipts are themselves put into circulation, whence the use of the check and the bank note.

We have seen that the special demands* on the money changer came with the periods of the great market days and the great fairs. This gave them a respite which they learned to utilize. During the interval short time loans at a good interest began to be systematically undertaken with results that gradually assumed large proportions as a discount business. In such advances a quickly turnable mortgage was usually required from the borrower. The development of their business led them to provide themselves with huge iron chests and other devices for the safe keeping of their stores and this attracted a body of custom in the form of deposits for safe keeping; in the meantime these deposits were loaned at interest, and the capital of the operator was augmented. The fourth step came when these deposits began to be transferred on the book of the bank, or provisionally placed in circulation by a transfer of a certificate of deposit. The latter took place whenever these money changers, or goldsmiths as they came to be called in England, gave their own notes instead of moneys deposited. When these steps had been taken the banking functions were complete. These latter functions were conspicuously developed by the Bank of Amsterdam in the third stage of banking of which we may here speak by anticipation. That private bankers performed all these functions before public notice of the customs of merchants was taken, seems to be well authenticated. The time came, as we have abun-

* Knies, Der Credit, II, 218 f.

dant evidence for believing from the recorded history of Venice, when it seemed expedient to force private bankers by express enactments to treat their clients with fairness and honor. We may call this the second stage, during which attempts were made to exercise control and check private abuses.

Legislative Supervision and Control.

The history of banking in Venice may here be followed in illustration of this stage. As early as 1270 it was deemed necessary to require the money changers "to give security to the Government as the condition of carrying on their business. * * * It is not shown that they were then receiving deposits."* Clear evidence of this practice is first conveyed in an Act of September 24, 1318, in which provision is made for the better protection of depositors. Somewhere between 1270 and 1318 the money changers of Venice were becoming bankers. Soon the number of *bancus scriptæ or bancherius scriptæ* (the bank or banker who keeps written accounts of transferable deposits) becomes considerable and acts for their regulation frequent. We know by name a number of the private banks which flourished between 1348 and 1584. Most of them went through phases of failure, reorganization and resumption once or oftener. "Ferrara, a close student of this subject, knows of only one which, after an existence of a hundred years, closed its affairs by payment in full." This was the bank of the House of Soranzo. We know of twenty banks in this period by name, but Tommaso Contarini in a speech in the Venetian Senate in 1584 speaks of 103 of which ninety-six came to a bad end and only seven succeeded. But this did not prevent Contarini from arguing in behalf of establishing a public bank. Notwithstanding a train of disasters nearly two centuries and a half long, the services rendered by the banks were held indispensable to preserve the trade of the city. A series of Acts show plainly that these services were rendered by means of deposit accounts.

How early the bankers of Venice discovered that they could make use of money not actually deposited is not known, but the idea must have occurred to them soon after the transfer of deposits became common. The keeping of deposit accounts led to the discovery that it was possible to increase the amounts transferred in the books beyond the amounts of coin actually in hand, because so soon as men ceased to call for coin and accepted credit transfers in lieu thereof, it must have dawned upon the bankers that they needed a cash treasury of coin only to the extent to which their creditors would still be disposed to call for coin instead of credit. This apprehended, the theory of a reserve becomes plain. Then as now it was difficult, in fact impossible, to determine the exact amount of coin money that might be thus called for and the wish to make the most of their dealing in credits kept them always sufficiently near the danger line, and not infrequently tempted them so far beyond it as to make a safe return impossible. Whenever their cash was low, it began to be inconvenient for certain bankers to be at their places of business. Accordingly it was decreed by the Venetian Senate (1445) that bankers must be present daily for a certain number of hours or incur fine (penalty) for their irregularity. The law aimed to regulate private bankers

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* Dunbar, Quar. Jour. Econ., VI, 308. Paragraphs following on Bank of Venice are mainly based on same article.

by prescribing rules in accordance with which credits might be written off or deposits allowed; and we notice among other provisions of an Act of 1526 that "Credit in bank shall not be written off to any one for any amount in his absence; but credit shall be written with both parties present." Evidently the check system in its modern form had not yet developed.

Lawmakers found it worth while to command the payment of deposits on demand, as we see by an item from the Act of 1526: "Bankers * * * must pay, to those who wish, in cash at once and in hand their money in good and heavy gold, or good moneys at the market rates, or rates current at our office." In default of this a fine of twenty-five ducats was imposed.

Those who opened banks did so to make gains. Loans were an indispensable condition in this project; and these were made to the State and to individuals but principally to the State. Loans to individuals were by one Act, Act of 1467, limited to ten ducats. The prohibition of interest impeded the making loans to individuals, and probably hindered the growth of legitimate banking. Loans to the State were common and apparently unrestricted.

The tendency to an excessive use of credit is on every hand apparent in the early history of banking in Venice. Attempts were made to restrict the use of deposit credits to such amounts as had actually been paid in. This was impossible. And men spoke admiringly if not enviously of the banker "who can satisfy his own desires for fine furniture and jewels by merely writing two lines in his books," who can "accommodate his friends * * * merely by * * * a brief entry of credit," who "can buy estates or endow a child without any actual dlsbursement."

The effect of over-issue to which bankers were tempted was of course ultimately embarrassment in meeting the demands of depositors and the resort to expedients for avoiding payment. Embarrassments of this kind, as well as actual fraud, account for the long series of Acts against abuses in banking.

The Inauguration of Public Banking.

The earliest example of a public bank is probably found in the Bank of Venice. The Venetian Senate became satisfied of the necessity of a radical change of system. An Act passed in December, 1584, for the establishment of a public bank was repealed in April, 1585. This bank was to have been known as the *Banco della Piazza di Rialto*. In April, 1587, a public bank was reconstituted. In the interval Venice, much to the injury of her business, was without a bank public or private. The bank founded in 1587 was sometimes called the *Banco di Rialto* and sometimes *Banco della Piazza*. "The Acts of 1584 and 1587 differed in some important particulars, but they agreed in their main purpose of giving to a public institution the deposit business so long retained by the private banks." The Act of 1587 sufficiently represents the revolution in Venetian banking which took place in 1587. The Bank of the Rialto was not a bank in the modern sense, as the private banks superseded by it had been. "The republic * * * declined to undertake the investment of the funds intrusted to it, sought no profit from the use of its credit, and in short merely undertook to keep the money of the depositors in safety, and to pay it out or transfer it to others at the will of the owners."

The organization of the Bank of Amsterdam and England now follow as of course. A no less instructive example is the system of John Law. Nothing can better illustrate the frequent doctrinaire attitude of the legislator towards questions of public policy than the manner in which the Dutch States-General took hold of the problem of curing the confusion in the currency system which prevailed in Amsterdam in the seventeenth century. Coins of full weight tended to disappear, except when a premium in the light coin of every day use brought them out. The confusion extended to foreign exchange as well as to domestic trade. The legislators attacked the deposit bankers and dealers in specie and exchange. "By a statute of July 15, 1608, the business of deposit holding was absolutely prohibited, and the receiving or paying out of money for another person, or its transfer by writing or by word of mouth, directly or indirectly, was forbidden under a penalty of twenty-five per cent., one-half to be levied upon the banker and the other upon the customer." The dealing in the bills of exchange and in the culling of heavy coins for profit was likewise prohibited. This measure in point of severity ranks our Iowa constitutional provision of 1846, prohibiting the establishment of banking in our State. Upon the demand of the merchants the measure was moderated a few weeks later, and within a year another measure, which had been under consideration for several years, was substituted for it. An ordinance creating the Amsterdamsche Wisselbank, or Exchange Bank, since known as the Bank of Amsterdam, was passed on January 31, 1609. A deposit system was now carried forward under public control and the transferable deposits or credits soon came to be known as bank money and outranked in their acceptability the uncertain pieces of metal then in circulation. The new bank provided a secure system of deposits and a fixed standard of payments, and entered upon a long and honorable career.

The Bank of England, established in 1694 but reorganized in 1697, is perhaps the best type of a modern State bank considered as an immediate financial agent and assistant to the Government. By its revised charter of 1697 it was given a monopoly of note circulation, and in consideration of this privilege it made large advances to the Government by selling its shares in exchange for Government stocks. The notes issued were made payable to bearer on demand. Though its form has since been changed in its original outline, it became the model a hundred years later on which Alexander Hamilton organized the first United States Bank and it has since been copied in more or less complete form by all countries having established State or National banks.

I have so far said little of the speculative element in banking, except by implication when speaking of the abuses which led to public supervision and control. I desire before closing to call attention to this danger by recalling the career of John Law in Paris. It is with the name of Law that we associate the greatest speculative mania on record. We know the system of Law better by its collapse than by the sound principles which entered into the initial organization of his bank, and we are apt to confuse two things which ought to be kept distinct, a confusion which to this day leads an occasional bank official to a choice between the penitentiary and the pond. The confusion to which I allude is the failure to keep separate and distinct legitimate commercial banking and dealing in futures—or gambling in the stock market. Extravagant as the banking schemes of John Law were they received their fatal blow from a haste to grow rich in the mania that set in to secure on the one hand stocks in his bank and on the other hand shares in a company which he organized on the model of the Dutch and English East India Companies for the development of the West Indies, of New Orleans, of the Mississippi. That Law was right in his expectation of great things from the Mississippi Valley time has well proven, but Law made no allowance for time, and thousands became victims to a mania to buy on an advancing market. One marvels that the multitude can ever be so blind as to forget all fear of a possible limit to dividends on even a wise investment. But it is a thing which society has yet to learn that an honest investment can pay only a limited dividend. Directly the speculative mania has nothing to do with banking, yet indirectly it has at times everything to do with it; and at all times a speculative judgment is requisite for safe and yet profitable banking. John Law undertook to introduce order and life into the decrepit and decaying fiscal and currency system of the France of the second decade of the eighteenth century. He undertook to replace the coin circulation of France by a paper circulation, to refund the French national debt, and to collect the taxes at a great saving to the Government. The management and operation of other European banks, notably of the Bank of Amsterdam and that of England, had given Law ground for some of his hopes but not support for them in their extravagant form. He seems to have been ambitious to bring all the specie of the country into the vaults of his bank and to substitute therefor a paper currency. But so far the history of banking has proven such radical effort hopeless. And they will continue to be hopeless.

Free Banking and Restriction upon Note Issue.

A new lesson was taught by Scotland, that an honest, conservative, and thrifty people can be trusted to organize and maintain a system of banking without limitations or restrictions save only those which their own prudence and business foresight impose. But the Scotch system of the last century and the earlier half of the present is not a system which operates itself. It can not be introduced into a new country with heterogeneous population, imbued with a zeal for sudden and speculative gains. It would not be suitable for our own conditions, particularly would it be unsuitable in those parts of our country which are without banking facilities. New England and certain of the middle and north central States could perhaps be more nearly entrusted with a system of freedom. But in our own experience we have so well learned the lesson of danger from non-legislative control and restriction during the era of wildcat and red-horse banking, that we are disposed to distrust the absence of strict legislative control and administrative supervision.

We have now concluded our review of the beginnings of banking. I think we may view the origin and development of banking in these four successive stages:

First, the money changers.

Second, the merging of the money changers into bankers as these develop systematic communication with each other through letters of credit or bills of exchange; and as they develop gradually the use of book credits, the practice of short time loans, and the custom of buying time papers for cash.

Third, the period during which the legislatures of certain cities and territorial States undertake to correct abuses in the practices of the money changers or goldsmiths who have turned bankers.

Fourth, the period of public banks, the creation of banking corporations to act as fiscal agents of the State and with monopoly of note issue under State sanction.

Fifth, the period of free and speculative banking which develops with advancement of deposit and discount, within which the older and newer usages merge into a well established and definitely recognized business, such as it is to-day.

Almost every vagary that one meets in this year of Our Lord 1897, fresh from the brain of some newly-discovered original thinker, can be met with many times over in the literature of proposals now in existence. One of the most persistent proposals is the scheme in one form or another to put into circulation notes based on a land guarantee instead of a specie in reserve, and noble dukes have even been found to risk their all in experiment only to find their dreams dreams; and the late proposals from a western State to have the Government advance two per cent. loans to all farmers on call has its antetype in the proposals of Pierre Joseph Proudhon, the founder of French anarchism, who demanded that the French Government organize a national bank to advance two per cent. loans on call to whomsoever may come.

We can well afford to study, and to encourage all the people to study, the history of banks and banking that we may not go on for ever repeating the mistakes and learning over again by failure the lessons that well might have been learned once and for all time.

LOW PRICE OF SILVER.—The price of silver bullion during May reached the lowest point at which it has stood since 1895. Since that date there have been various reasons that caused a strong reaction. The first announcement after peace was made between China and Japan was that the war indemnity would be paid in silver. This was without real foundation and was no doubt a mere supposition based on the fact that both of the countries named were upon a silver basis. But before the effect of this supposition wore off, the silver agitation of the presidential campaign in this country began and helped to maintain the price. Since the defeat of the silver party in November last, has come the abandonment of the silver standard by Japan, and these two causes have naturally depressed the price. The adoption of the gold standard by the Japanese Government at the same time that Russia is aiming at the same result has had the effect of causing a steady demand for gold, and this has caused the renewal of gold exports from the United States when the price of foreign exchange and the condition of the export trade did not seem to warrant them. Russia is purchasing gold whenever the market suits, and it is expected that Japan will require some when it has placed its foreign loan. These reasons are sufficient to account for the exports from this country. While these exports have not created any alarm it remains the fact that the Treasury reserve is the easiest stock of gold to draw from there is in the world. The Bank of England stock is protected by the discount rate, and the Bank of France checks exportations by imposing a premium. The United States Government alone has adopted no means of checking attacks on its stock of gold. In some respects this is not a bad policy, if the world retains faith in the strength of this country to maintain this policy. It is, however, an expensive one both for the Government and the people; but even so, no sane person can imagine that there is any real immediate danger, in the face of the large stock of gold now on hand.

FOREIGN BANKING AND FINANCE.

The Bank of the Republic of Brazil.

The general assembly of the shareholders of the Bank of the Republic of Brazil has approved the new statutes of the Bank, providing for the settlement of its debt to the Treasury and its abandonment of the power of note issue. The debt to the state has been reduced nearly two-thirds by the transfer to the Treasury of real estate and negotiable securities belonging to the assets of the Bank and valued at about 125,000 contos ($65,000,000). The remainder of the debt is to be settled in twenty years by the payment of two per cent. a year for the first five years, four per cent. for the following five years, six per cent. for the third period of five years and eight per cent. for the last five. An allowance will be made the Bank by way of indemnity for the suppression of its right of note issue and for the appropriation by the Treasury of the securities held against the notes. The Bank, in becoming a simple institution of discount and deposit, will become free from the supervision of the state to the degree to which it has heretofore been exercised. The state proposes to reduce the amount of circulating paper and to realize the assets turned over to it by the Bank as rapidly as possible. It is estimated that the amount of paper now in circulation is 758,000 contos ($380,000,000) and exchange is expected to improve rapidly, both by the actual withdrawal of the excess of paper and by the confidence which will be inspired abroad by the announcement that a new policy has been adopted.

Banking Extensions in Venezuela.

It is reported from Berlin that Venezuela has made a new contract with the Bank of Venezuela and another with a Dutch syndicate, both for the creation of new banks. Venezuela has been somewhat deficient in banking facilities, but adopted a law in 1895 permitting the creation of banks of issue under certain prescribed conditions. The Bank of Venezuela is the strongest banking institution in the country, and it is now proposed to raise its capital to 15,000,000 bolivars ($3,000,000) and make it the financial agent of the Government. All public receipts will be paid into the Bank, which will extend a current credit to the Government of 6,000,000 bolivars at eight per cent. interest. This contract will run for six years. The Bank is also to aid in the funding of the Caracas Waterworks loan to the amount of 10,649,995 bolivars. The contract with the Dutch syndicate contemplates the foundation of a new bank with a capital of 20,000,000 bolivars, of which a fund of 10,000,000 bolivars is to be set aside for loans to agriculturists and cattle raisers. The Bank is to establish numerous branches and is also to open a credit of 6,000,000 bolivars at eight per cent. in favor of the Government. The Bank obtains in return the management of the salt mines. Both banks will have the power of note issue under existing law, but the creation of these contracts with the Government points towards their possession of special privileges which will interfere with the competition of other banks of issue.

British Banking Statistics.

A review of the condition of the British banks at the close of 1896 is presented in the London "Economist" of May 22, which shows that deposits and current accounts, including £55,000,000 at the Bank of England, have mounted upward to £780,000,000. This is not an increase over July, 1896, but is an increase of £10,000,000 over January, 1896, £70,000,000 over January, 1895, and £100,000,000 over January, 1894. The profits of the joint-stock banks are calculated at £8,328,000 for 1896 against £7,670,000 for 1895. There was an increase in each division of the United Kingdom, England advancing from £5,677,000 to £6,169,000; Scotland, from £1,219,000 to £1,305,000; and Ireland from £774,000 to £854,000. At the beginning of 1896 the average market premium on the shares of the English banks was 204 per cent.; it is now 214 per cent. Discounts and advances are lumped together by the majority of banks, but those which separate them show an increase of discounts from £45,600,000 on December 31, 1895, to £46,500,000 on December 31, 1896, while advances increased from £119,700,000 to £137,200,000. The assets of the English joint-stock banks sum up £698,753.000. The total at the close of 1895 was £669,426,000. There is thus shown an increase of £29,367,000, of which £28,731,000 is due to the inclusion of accounts of Barclay & Co., while the balance of about £600,000 is accounted for by a decrease of nearly £11,500,000 in the assets of the Bank of England, offset by an increase of £12,100,000 in those of the other banks. The accounts of the Bank of England show a reduction of £10,800,000 in its stock of coin and bullion, and of £1,200,000 in its Government securities, accompanied by an increase of £500,000 in its "other" securities.

The Bank Rate in Germany.

The policy of the Imperial Bank of Germany, in refusing to make loans below the official discount rate of three per cent., is causing considerable discussion of the wisdom of this course. The rate has been in force since April 30, and its effect upon transactions is discussed as follows in the Berlin correspondence of the London "Economist" of May 29:

"That is what may be called its traditional and typical rate of discount. But it is an open question whether what was good in the past is still good now. Formerly the usual rate of interest in this country was three to four per cent.; the Savings banks paid about as much. But during the past few years the rate has declined to about three per cent. The Imperial Bank alone sticks to its traditions, in a sort of self-sufficiency, without due regard to the changed condition of things around it. There is no reason at present why its rate should not be two and a half per cent. By stopping at three per cent. the Bank helps the banks and bankers to charge an equally high rate to their customers, who, on the other side, cannot place their money at the former rates. The profit is for the banks, the disadvantages are on the side of trade and commerce. Such are the remarks which are made on the policy of the Imperial Bank. The latter is invited to adapt itself in a larger measure to the changed circumstances of the times, and the fact that the position of the Bank is very strong appears to justify these criticisms to some extent."

The Savings Banks of Switzerland.

A recent article which received the gold medal at the National Swiss Exposition of 1896, regarding the development of the Savings banks of Switzerland, showed so much merit that it has been published by the Government of that country as a public document. The Savings banks of Switzerland are almost unique among those of the European Continent in the fact that those of each canton are independent and do not depend for their life upon the purchase of national securities or an elaborate system of centralization. The first of these banks was founded at Berne in 1787, nine years after the Savings bank of Hamburg, but twenty years before those of Great Britain. There now exist 557 banks of this character in Switzerland, of which twenty-two count more than three-quarters of a century of life, eighty-two more than half a century, 152 more than a quarter of a century, and the remaining 301 are of more recent origin. The first bank, at Berne, was called the *Caisse des Domestiques*, and was intended for domestic servants only. The minimum of each deposit was seventy-five francs, and other classes of depositors were gradually admitted without question. The existing banks are divided into five classes—those whose capital and transactions are guaranteed by the canton, which comprise only about four per cent. of the whole number; those guaranteed by the commune, amounting to eight per cent.; those held by private shareholders without public guarantee, twenty-seven per cent.; those constituted by coöperative association, fifty per cent.; and those owned by private individuals, eleven per cent. The whole number includes 150 Savings banks for the pupils of the public schools. A considerable number of the banks combine credit operations with the receipt of savings and are able to pay an interest to depositors only about a quarter of one per cent less than they receive. The system of saving stamps is employed in the pupils' banks, the stamps entitling the holder to an entry on a book account when the amount reaches five francs or some other small sum. Interest rates have fallen under the modern pressure of surplus capital, but still remained in 1895 at three and a half per cent. The author of the article published by the Government mentions the fact that the Swiss cantons, having no public debt when the Savings banks were established, it was necessary to place the funds in mortgages or bills of exchange rather than in public securities. He continues:

"The Savings banks, being independent of the Government, were able to go through the gravest political crises without risk or without even the sense of uneasiness among the depositors. The resources of the Government of Berne were despoiled in 1798, the funds of corporations and cities were seized arbitrarily during the Helvetian Revolution, as the result of the occupation of the country by the French, and the cantonal governments were overturned in a more or less illegal manner, but in the midst of all the Savings banks continued their beneficent operations. The more the governments were compromised, the more the private citizen found in the Savings banks a sure resource against political vicissitudes."

The statistics of the Swiss Savings banks show larger per capita deposits than those of almost any other country. Beginning with total deposits of 6,786,571 francs in 1825, the amount rose to 16,789,305 francs in 1835, 60,366,759 francs in 1852, 131,901,632 francs in 1862, 288,836,442 francs in 1872, 514,078,123 francs in 1882, and 893,961,494 francs in 1895. The number of depositors in 1895 was 1,196,540, in a total Swiss population of 3,023,382. The number of depositors per hundred inhabitants was thus 39.57, the number rising as high as 79.09 in Geneva and falling as low as 1.54 in Valais. The mean deposits per one hundred inhabitants stood at 29,568 francs ($5,500) or an average per capita of $55. This represents the high average of $275 for a family of five. The average in Geneva is 47,688 francs per one hundred inhabitants or about $90 for each inhabitant of the canton. The deposits in the Swiss Savings banks during the year 1895 were 212,775,532 francs and the withdrawals

185,074,238 francs. They bore the largest proportion to the total at Berne, where withdrawals were 59,471,497 francs out of deposits of 221,876,857 francs, indicating that the banks in that canton were used to some extent for ordinary banking business. The deposits and withdrawals in other cantons, with a few exceptions, constituted a much smaller proportion of the total amount on deposit.

Charter of the Bank of France.

The French Chambers have been engaged on several occasions since May 25 in the discussion of the proposals of the ministry and a special committee of their own members for the continuance of the charter of the Bank of France. The friends of the Bank appear to have been in a large majority, and voted by 424 votes to 107 to pass to the discussion of the bill by clauses. Clause 1, which extends the charter until 1920, was adopted by a large majority on June 15. The other clauses were still under consideration when this record was closed. This consideration of the bill by sections was preceded by general debate in which the socialists and other supporters of a bank owned by the State had full opportunity of expressing their views. The first socialist orator, M. Viviani, endeavored to demonstrate that it was not the Bank which afforded credit to commerce but commerce which gave credit to the Bank, since the paper discounted had a real value while the borrower received in exchange a note payable at sight which represented only a credit costing nothing to the bank and issued under the authority of the public powers. M. Viviani denied that the Bank had done its duty in the crisis of 1870, and complained that the occasion of renewing the charter had not been seized for organizing agricultural credit. These arguments were controverted in a measure by M. Joseph Jourdan, of the Department of the Var, who pointed out that if a bank of state were created the director would be more independent than the Government itself, and would be able to weigh the credit of public officials and electors according to political necessities.

The defense of the Bank and of the new charter were taken up at one of the sittings early in June by M. Ribot, President of the Commission which made the report in favor of the charter. He called attention to the fact that if the charter were refused the chief change in the position of the Bank would be that it would cease to be subject to its present supervision by the public powers. It would lose the power of note issue, but it would gain the power of placing new securities for investment, it would be able to take part in financial schemes, it would be able to pay interest on deposits and would acquire a liberty of action with its old organization, clientage, and credit which would make it a dangerous competitor for the private banks and finance companies. The Bank would find little difficulty, he thought, under such conditions, in paying six per cent. dividends—about the figure which is now paid. There could be no greater danger for a bank, M. Ribot pointed out, than to be in the hands of the Government, for the latter in moments of need might be subjected to an irresistible temptation to thrust its hand deep into the Bank's coffers. M. Ribot declared that the Bank already accepted agricultural paper although it afforded fewer guarantees than commercial paper, but that it could not afford to prolong credit beyond three months because of the danger of locking up its capital. M. Camille Pelletan, who replied to M. Ribot, renewed the old charge that the Bank had become an institution for bankers when it should be a bank of commerce and industry.

There appears to be no doubt that the charter will be voted substantially as desired by the Bank and the Government. There has been some fear, however, that the Government might be beaten upon some of the provisions of the extension bill, as happened in 1892 when they felt compelled to withdraw the bill. The amendment in favor of a state bank offered by M. Viviani was rejected by a vote of 118 to 422; but a motion by M. Bascou, that the chambers should not proceed to the discussion of the charter until the Government disclosed the secret clauses relating to the use of the treasure of the Bank in time of war, rallied 226 votes, and was only beaten by 298 votes or 72 majority.

A Crisis in Argentina. Something in the nature of a commercial crisis is developing in the Argentine Republic. Its development and causes are set forth in a letter in the London "Economist" of June 5 as follows:

"The commercial position has been gradually getting worse since the beginning of the year, and is now such as to cause some uneasiness as to the result during the winter months. This state of affairs is mainly due to the widespread ruin, for this year at least, caused by the loss of the wheat and maize crops in the provinces of Santa Fé and Entre Rios; but over-trading has also largely contributed to it. For some years past numerous new firms in all branches of commerce have sprung up in this city, and made competition almost as keen as in Europe. While the slow recovery from the crisis was going on these new traders managed to do well enough, and keep afloat; but the present disastrous year for agricultural interests is bringing many of them down. There are enough importing firms in this city alone to supply treble the population of the whole republic, which is a bare four and a half millions of souls; and as the recovery in immigration is very slow, and has been checked by the present state of things, and the general fear of another invasion of locusts next season, there is little or no increase in the number of consumers, so these new competing houses have nothing to work on, and are yielding to the first breath of adversity. The number of petitions for 'moratoria' before the commercial courts during the first quarter of this year has been twenty-four, their liabilities summing up $666,534 gold and $6,117,000 currency. In the first three months of 1896 there were only nine applications for 'moratoria,' and the liabilities were $73,500 gold and $1,000,000 currency. This shows a most serious, if not alarming, change in the course of twelve months; and it is much to be feared that the remaining three quarters of the year will add more sombre hues to the discouraging picture. The present commercial crisis began, as usual, with the small and weaker firms, but two large Argentine houses have been declared bankrupt this month, their joint liabilities reaching over $4,000,000 currency. The check to the export trade during the first quarter of this year aggravates the situation."

BANKING AND FINANCIAL NOTES.

—Banking and commercial interests in Ecuador received a serious setback at the close of last year by the great fire which swept over Guayaquil, destroying more than a thousand houses, causing a loss of more than 50,000,000 sucres ($25,000,000), and reducing Guayaquil to a city no larger than twenty years ago. Civil war in the interior exhausted the ordinary resources of the Treasury and led to the imposition of several new taxes. Financial operations were entirely suspended during the fortnight following the fire of October, which destroyed the buildings of the large banks, but the safes were found intact after the fire and business was promptly resumed. The Bank of Ecuador was able to pay a dividend of sixteen per cent. upon its capital and add 50,000 sucres to its reserve fund. The dividend of the Commercial and Agricultural Bank was fifteen per cent. and that of the Mortgage Bank seventeen per cent., while the Territorial Bank was content with a dividend of five per cent.

—The annual report of the Ionian Bank, one of the three banks of issue of Greece, shows total assets at the close of 1896 of £949,429. The note issues included £82,004 in notes of one and two drachmas (twenty cents and forty cents) and £209,802 in notes of larger denomination. The deposits bearing interest were £206,381. The largest credit items were £157,123 in bonded investments, £108,253 in discounts, £123,949 in advances on mortgages, £124,631 in loans to the Greek Government under a convention for note issues, and £56,068 in cash in hand and in London. The gross profits for the half year ending December 31, 1896, were £20,197, and a dividend was ordered at the rate of four per cent. per annum, amounting for the half year to £6,310.

—The accounts of the Yokohama Specie Bank on December 31, 1896, showed aggregate assets of 72,138,427 yen ($36,000,000) and profits for the half year of 2,584,209 yen. It was decided at a meeting on March 10, 1896, that the capital of the bank should be increased by 6,000,000 yen, to be paid in instalments by existing shareholders at various dates which have not yet all matured. The bank has a reserve fund of 5,760,000 yen, deposits of 10,186,001 yen, and bills payable of 48,844,630 yen.

—The note circulation of the banks of Hongkong in March was 1,935,600 piasters for the chartered Bank of India, Australia and China, 5,701,753 piasters for the Hongkong and Shanghai Bank, and 391,672 piasters for the National Bank of China, making a total of 8,029,025 piasters. This circulation is covered by a metallic reserve of 3,705,000 piasters, of which 1,000,000 piasters belongs to the first named bank, 2,500,000 to the second named, and 205,000 piasters to the National Bank of China.

—The banking returns for the colony of Victoria for the first quarter of the present year show a somewhat stagnant condition of affairs. The total deposits show an increase of £610,169, of which Government deposits account for £276,693, and deposits by other persons for £333,476. A summary is as follows: Deposits by the Crown, £2,615,664; deposits by other persons, current accounts, £11,268,111; fixed, £16,669,015. Of the total deposits by other persons, the amount held in the form of current account balances now exceeds forty per cent. Before the crisis the normal proportion was about twenty-five per cent. As the reconstructed banks continue to release, the proportion may be expected to grow. The note circulation of the banks for the first quarter is a little in excess of £1,000,000. The average amount of gold held is £8,224,594.

—In commenting on the recent death of "Barney" Barnato, the great South African speculator, the London "Economist" presents a table giving the market values of the shares of eighteen of his companies in 1895–96 as £34,337,000, and the present value, £11,643,000—a decline of £22,694,000. Taking into consideration the creation of additional capital not represented in the table, the decline is estimated at £34,000,000. Of the above companies only four are paying dividends. C. A. C.

PRACTICAL BANKING DEPARTMENT.

RETURN OF CHECKS AND VOUCHERS.

At the last annual convention of the California Bankers' Association there was an interesting discussion of the propriety of continuing the practice of returning cancelled checks to depositors and to country correspondents of city banks. Instances were cited where after the lapse of two years a depositor had returned a cancelled check as having been forged, and it was pointed out that by placing these checks in the hands of depositors, with the possibility of some of them going to those who were evilly disposed, the banks were taking unnecessary risks. It was also urged that the banks were putting out of their hands all proof of the correctness of their accounts.

Some of the California banks require receipts for all checks returned to depositors, and in returning checks to country banks the city banks can enter in their statements, opposite the check, its number and other data sufficient for purposes of identification. One difficulty in the way of the banks retaining cancelled checks for any great length of time is that it would call for a large space for storing them. Besides there is the prejudice of depositors to be overcome, as it is customary for many business men who pay their bills with checks to take no receipts, regarding the cancelled checks as their vouchers.

FORM OF LIABILITY LEDGER.

The form of Liability Ledger on the following page is furnished through the courtesy of Robert L. Archer, Assistant Cashier of the First National Bank, Huntington, West Va., who writes in regard thereto as follows :

"This ledger has been in use in this bank for the past two years, and has given excellent satisfaction. In fact, we could not get along without it. The rulings and headings are self-explanatory to any banker, so I will not explain them further than to say that an account is opened with each person or firm who is a regular discount customer from time to time, and proper entries made of his liabilities both as endorser and maker. Of course the entry of the note may appear twice in the ledger, once under the account of the maker, and again under the account of the endorser, if it so happens that both have an account. The ledger can be used either with or without the balance column, but my experience has been that this column is a great convenience.

In the back part of the ledger are a number of pages ruled as shown on Sheet No. 2. A certain space of these pages is allotted to each letter, and there under the proper letter are entered such notes, whose makers or endorsers do not have a regular account in the ledger proper. In that way every note in the bank is entered somewhere in the ledger, where any information as to maturity or names or makers or endorsers is readily accessible. The ledger is provided with an index. In the ledger in use in this bank we have 240 accounts in the ledger proper. I can see no reason, however, why it can not be adapted to both larger and smaller institutions."

John Smith

As Endorser or Drawer.						As Payer.						
Balance.	Dr.	Cr.	Payer.	Number.	Due.	Number.	Due.	Endorser.	Dr.	Cr.	Balance.
2650	1500		Smith Milling Co	6507	Aug 30	6001	July 6	Jones & Co	600	600	1100
	1150		Central Furn. Co	6605	" 31	6307	Aug 15	Geo. Jones & Son	500		1850
						7007	Sept 7	Brown Grocery Co	750		1250

No.	Payer	Amount	Maturity	Date paid	No.	Payer	Amount	Maturity	Date paid

No. 2

FORM OF LIABILITY LEDGER.

ELLIS H. ROBERTS.

TREASURER OF THE UNITED STATES.

The responsibilities incident to the custody of the funds of the United States and the receipt and disbursement of the public revenues, as well as various other fiscal operations of the Treasury, are of the weightiest sort and call for a high order of financial ability on the part of the Treasurer and other chief officers of this important department of the Government service.

Ellis H. Roberts, who has just been nominated and confirmed as Treasurer of the United States, fully measures up to the high requirements of the position. He is a gentleman of thorough education, of wide experience as editor, legislator and banker, and as Assistant Treasurer of the United States at New York, under a former Administration, he became familiar with the duties of the Treasurer and also demonstrated his capacity for filling the office acceptably.

It is especially desirable that the custodian of the Government's funds should be a man of the highest integrity. How Mr. Roberts stands in this respect may be inferred from the fact that at the time of his appointment as Assistant Treasurer at New York a number of his friends voluntarily became his sureties to the amount of $800,000.

Mr. Roberts was born at Utica, N. Y., Sept. 30, 1827. He is of Welsh ancestry, his parents having emigrated to the United States from North Wales in 1821.

The father died when Ellis H. was a mere child, and the boy early began to realize some of the sober necessities of self-dependence. He learned the printer's trade and with money earned at the case not only supported but educated himself. After attending Whitestown Seminary for two terms he entered Yale College as a sophomore. During vacations he worked hard at his trade to obtain money for further schooling, and devoted his spare time to his text-books. The reward for this close application came at his graduation, when he received the second highest honor in the class of 1850, as well as the Bristed scholarship. Subsequently Mr. Roberts was principal of the Utica Free Academy and a teacher of Latin in the Utica Female Seminary.

In 1851 he became editor and part proprietor of the "Utica Morning Herald," retiring for a brief period in 1854, only to resume his relations as editor and also becoming sole proprietor of the paper, which he conducted for thirty-five years in an able and fearless manner, his work during the Civil War period being especially serviceable to the Union cause.

In 1866 Mr. Roberts was elected as a Republican to the New York Assembly from the then Second Oneida district, he receiving 3,193 votes against 2,643 cast for James G. Preston, Democrat. One of the committees to which he was assigned was that of ways and means. In 1870 Mr. Roberts was elected to the national House of Representatives from the Oneida district in New York, receiving 12,322 votes to 10,606 cast for Abraham B. Weaver,

...IS H. R...BERTS.

...UNITED ...ATES.

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... education, of wide experience as
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... of the Government's funds
... Roberts stands in this
... of his appointment as
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... North Wales in 1821.
... the boy early began
... He learned the
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... for two terms he
... he worked hard at
... his spare time
... at his gradua-
... class of 1850, as well
... principal of the
... Female Seminary
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... New York Assem-
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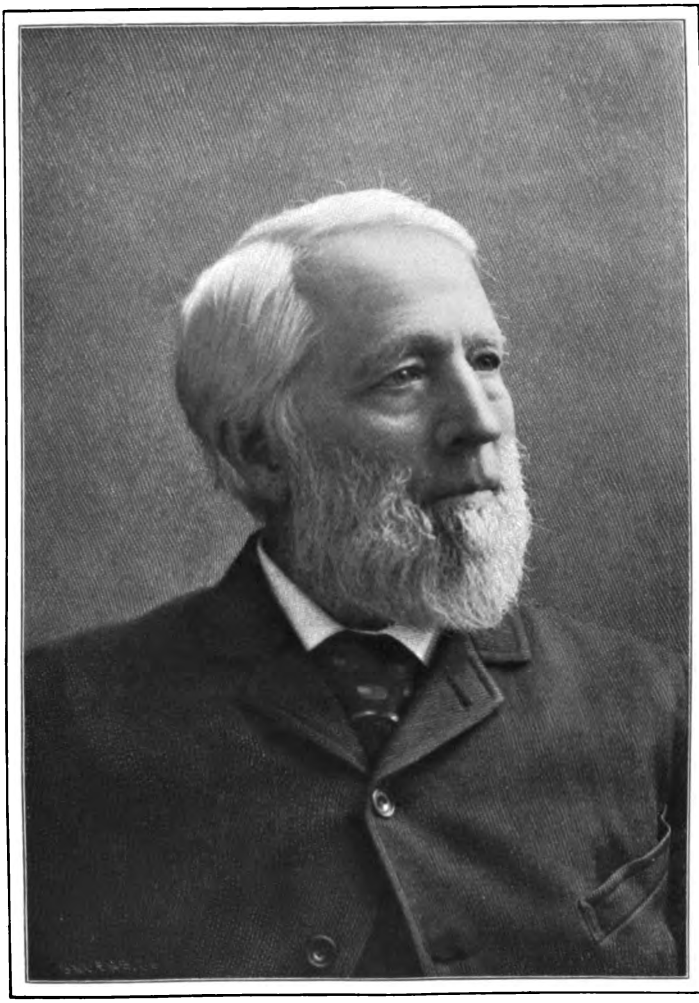

Ellis H. Roberts.

Democrat. He was re-elected in 1872, receiving 13,284 votes to 10,481 cast for Richard U. Sherman, Liberal Republican. In 1874 he was again a candidate for re-election, but was defeated along with many other prominent Republicans throughout the country, because of the Democratic tidal wave.

In Congress Mr. Roberts received from Speaker Blaine an honor rarely accorded to a new member, a position on the ways and means committee. Here and in debate on the floor he became a prominent champion of financial measures which were the first steps in the policy of specie payment resumption, funding the national debt at a continually decreasing interest, redemption of bonds, and a reduction of war taxes—at the same time retaining the system of protection to American industries. In support of this policy Mr. Roberts made at least six elaborate speeches, in which he clearly outlined possibilities of national finance that subsequently proved to be certainties. He also introduced the bill for the repeal of the moiety laws, and was chairman of the sub-committee on ways and means which reported it.

The object of this bill was the overthrow of a system that had prevailed since the foundation of the Government, and as many officials' salaries were affected, strong pressure was brought to bear against it, especially in the Senate. It was amended there and finally sent to a conference. Mr. Roberts was chairman of the House conferees. The chief features of the bill were retained and were finally agreed to, and the bill became a law June 22, 1874.

A part of the duties of Mr. Roberts on the ways and means committee was to lead in a thorough investigation of the Treasury Department, which brought about the enforced resignation of several of its prominent officers. Those duties gave him an insight into the methods and workings of the department which will now be of great practical use.

Mr. Roberts was a delegate to the Republican National Conventions of 1864 and 1868. He was appointed Assistant Treasurer of the United States at New York by President Harrison, on April 1, 1889. At their own request twenty prominent citizens of Utica became his sureties, qualifying for $800,000. He took charge of the office April 15, and during the subsequent four years ably directed the affairs of the sub-Treasury at the great money center of the country. Upon his retirement Secretary Carlisle wrote to him: "The department appreciates fully and commends the admirable manner in which the affairs of the office have been conducted during your incumbency."

In the summer of 1893 Mr. Roberts accepted the presidency of the Franklin National Bank in New York, a position he has since held.

In addition to his editorial labors Mr. Roberts has done considerable literary work, and has delivered a number of lectures and public addresses.

He traveled abroad in 1868 and again in 1873. Some of his foreign observations were embodied in a series of letters, entitled "To Greece and Beyond." In 1884 he delivered a series of protection lectures at Cornell University and Hamilton College. These subsequently appeared in book form under the title, "Government Revenue, Especially the American System." He delivered an address at Union College on "The Tariff Justified by Political Economy," and at Syracuse University on "The Currency Problem." His wide experience and intimate acquintance with banking and finance have brought him frequent requests to speak on these topics, and he has made valuable addresses on these subjects before the meetings of several of the groups of the New York State Bankers' Association.

He is also the author of "The Planting and the Growth of the Empire State," published in the American Commonwealth series.

Mr. Roberts received the degree of doctor of laws from Hamilton College in 1869 and from Yale in 1884. He has been President of the Fort Schuyler Club and of the Oneida Historical Society of Utica, N. Y., and is at present a member of the Republican Club, the Press Club, the Authors' Guild, the Patria Club, and the Yale Alumni Association of New York. He was elected a trustee of Hamilton College in 1872.

THE WAY TO PROSPERITY.—There can be no doubt that a more hopeful feeling is manifesting itself in business circles; that it is something more than a sentiment is shown by the increased activity in many lines of trade.

Obstacles to the return of prosperity are being removed one by one; first, there was the defeat of free silver at the last election, which was a circumstance of the greatest importance; second, there are no foreign entanglements liable to disturb our business or political relations with other countries; third, Congress is making satisfactory progress with a tariff measure that is expected to produce revenues adequate to the needs of the Government. The Treasury gold reserve continues above $140,000,000, despite continued withdrawals for export during the past month, and there is no ground for apprehension on that score. It would be a pessimistic individual indeed who saw no cause for hopefulness in these brightening prospects. We are sure the bankers of the country will welcome the improved outlook.

As to the currency question, it will probably work out its own solution. We do not know what Secretary Gage's plan is, but we doubt if there is any disposition in Congress to pass any radical currency legislation.

It is likely that a simple measure, providing that greenbacks and Treasury notes when once redeemed shall not be reissued except in exchange for gold, could be got through without much opposition.

The MAGAZINE does not modify any of its previous statements as to what ought to be done with the Government credit currency, but we can see no advantage in continued agitation of the matter. In time, when the revenues are producing a surplus, the public temper may be different; but at present no political party would dare appeal to the voters on a platform proposing a large bond issue to retire the legal-tender notes. However unpleasant this truth may be to a good many enthusiastic currency reformers, it is what every candid observer of public opinion must admit.

But it is believed that in due time, when the business revival is complete and money becomes more plentifully circulated in all parts of the country, that the sentimental attitude of the public toward the greenback will change. Meanwhile these notes can be deprived of one of their most mischievous properties by making them, in practice, gold certificates—issue them in exchange for gold and pay gold for them on demand. If this were done it would put an end to apprehensions that have sometimes arisen because of the continuous redemption and reissue of these notes, and their final disposal could be deferred until the Treasury conditions are more favorable.

It is a good time for bankers' associations, and bankers generally, to pay less attention to currency schemes and give more thought to the improvement of banking methods and the building up of business enterprises in their respective localities.

BANKING LAW DEPARTMENT

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

CHECK—DELAY IN PRESENTMENT.

Supreme Court of Georgia, November 16, 1897.

TOMLIN *vs.* THORNTON.

1. In order to charge the drawer of a bank check, who has funds with which to meet the same in the bank upon which it is drawn, with liability in case the check is dishonored, the payee must present it for payment within a reasonable time; otherwise the delay will be at his peril.
2. What is a reasonable time will depend upon circumstances, and will in many cases depend upon the time, the mode, and the place of receiving the check, and upon the relations of the parties between whom the question arises.
3. If the bank drawn upon is at a place distant from that at which the payee receives the check, and fails before the check is presented, it will, as a general rule, be a question for the jury, in the light of all the attendant facts and circumstances, to determine whether or not due diligence was observed in presenting the check.

(Syllabus by the Court.)

LUMPKIN, *J.:* 1. The general rule of law announced in the first headnote is well settled. It is very clearly expressed in 2 Daniel, Neg. Inst. (4th Ed.) § 1590, as follows:

"A failure of the bank or banker who is drawee of the check, and who held on deposit a fund to meet it, which is thereby lost, presents the usual, if not the only, case in which delay of the holder in making presentment, or giving notice of dishonor, devolves loss upon him. But it is by no means an infrequent case, and therefore important to be considered. If at the time the check was delivered to the payee, the bank was solvent, and held funds of the drawer sufficient to meet it, it would be a fraud for the drawer, after giving a check upon them, to withdraw the amount which should pay it; and, as he could not rightfully withdraw the amount, it would be unjust to require that, however long the check holder might permit it to remain, it should be at the drawer's risk. The law has therefore declared that it must be presented within a reasonable time, at the expiration of which such risk terminates as to the drawer, and becomes the risk of the holder, if he permits the deposit to remain in bank. And if in the meantime the bank on which the check is drawn fails, the loss must fall upon the holder." (See authorities cited in a note to this section.)

2. The principal difficulty which has arisen is in determining what shall constitute "a reasonable time" within which the check must be presented. The extract from the American and English Encyclopedia of Law (volume 3, p. 213), which we have adopted as our second headnote, lays down the doctrine that what will constitute a reasonable time necessarily varies according to the circumstances surrounding

each particular instance. This same authority further declares that: "If the bank on which the check is drawn be in the same place where the payee received the check, it should be presented for payment within banking hours on the day it is received, or on the following day. If in the meantime the bank fails, the loss will be the drawer's." Numerous authorities are cited in support of the above text. To the same effect, see the latter portion of the section cited above from Daniel, beginning on page 618.

3. In the present case the check was drawn on the Capital Bank of Macon, Ga., and delivered on March 6, 1891, at Butler, Ga., to the payee, who resided at Columbus, Ga. The latter deposited it for collection, on March 9, in the Third National Bank of Columbus, and on March 12 it was returned to him, having been protested in Macon on the previous day, after due presentation and refusal of payment, the Macon bank having failed and closed its doors about 11 A. M. on that date, before the check was presented for payment. It appears, therefore, that this check was drawn upon a bank which was a considerable distance both from the place where the payee received it and from that of his residence.

After a somewhat careful study of the subject, and an examination of such authorities as are at our command, we are unable to find any fixed and definitely established rule which would enable us to say with certainty, as matter of law, that this particular check, under the circumstances stated, was or was not presented to the drawee within a reasonable time after its delivery to the payee. Therefore we think the best and safest conclusion to be reached in the matter is that the question whether or not due dilligence was observed in presenting the check should be left to the determination of a jury, in the light of all the facts which may be proved at the trial.

4. The action being by the payee against the drawer, and the Court having directed a verdict in the plaintiff's favor, we feel constrained to reverse the judgment, in order that the case may be submitted to a jury, who, under appropriate instructions, should consider, weigh, and be guided by all the attendant facts and circumstances. Judgment reversed.

INSOLVENT NATIONAL BANK—CLAIMS AGAINST—REMEDY AT LAW.

United States Circuit Court of Appeals, February 8, 1897.

DENTON *vs.* BAKER.

Notwithstanding the insolvency of a National bank, and the appointment of a Receiver, by the Comptroller of the Currency, the corporation continues as a legal entity, and an action may be maintained against it on a claim rejected by the Receiver.

As in such case there is an adequate remedy at law, the holder of the claim cannot maintain a suit in equity for an injunction to restrain the Receiver from rejecting it.

The complainant as assignee of one Mackintosh had made a claim against the Merchants' National Bank of Seattle, which the Receiver rejected. Afterwards the complainant brought an action against the bank, in the Superior Court of King County, Washington, and obtained judgment thereon against the bank. The complainant then presented to the Receiver his claim for the amount so adjudged to be due him from the bank, and the claim was again rejected by the Receiver. The complainant then brought this suit to restrain the Receiver from any further rejection of the claim, and to compel him to allow and file the same, approve and forward it to the Comptroller of the Currency.

Before GILBERT and ROSS, *Circuit Judges*, and HAWLEY, *District Judge*.

ROSS, *Circuit Judge* (omitting part of the opinion): In the case of *Bank of Bethel* vs. *Pahquioque Bank* (14 Wall. 383, 397) the Supreme Court said:

"Whenever a Receiver [of a National bank] is appointed, the Comptroller is required to give notice of the fact, requesting all persons having claims against the association to present the same, and to make legal proof thereof. Provision is first to be made by the Comptroller for refunding to the United States any such deficiency in redeeming the notes of the association as is mentioned in the Act, and, having refunded that amount, the Comptroller is required, in the next place, to make a ratable dividend of the money paid over to him by the Receiver on all such claims as may have been proved to his satisfaction, or adjudicated in a court of competent jurisdiction. Claims proved to the satisfaction of the Comptroller are to be included in the list, and he is also to include in the list all claims adjudicated in a court of competent jurisdiction, which shows conclusively that claims disallowed by the Comptroller may be prosecuted in a court having jurisdiction in such cases."

In that case the Supreme Court also held that, notwithstanding the insolvency of a National bank, and the appointment by the Comptroller of a Receiver of its assets, the corporate franchise of the association continues, and the association, as a legal entity, continues to exist, and is capable of suing and liable to be sued in all matters in which the corporation is interested. It is not denied that the State Court of King County, Wash., where the corporation was located, and where the contract relied on by the complainant was made, was a court of competent jurisdiction for the adjudication of the rights of the parties to the contract which forms the basis of the complainant's suit, had there been no insolvency proceedings. It follows that it was a court of competent jurisdiction for the adjudication of the complainant's claim, the bank having become insolvent, and the Receiver of its assets having rejected the claim. Undoubtedly, the Receiver would have been entitled to have defended that suit in the name of the bank or in his own, and would have been permitted by the court, upon a seasonable application, to have contested the validity of that judgment.

In *Bank* vs. *Colby* (21 Wall. 609) one of the questions was whether the property of a National bank organized under the Act of Congress of June 3, 1864, attached at the suit of an individual creditor, after the bank had become insolvent, can be subjected to sale for the payment of his demand against the claim for the property by a Receiver of the bank subsequently appointed; and the Court said, among other things:

"It is too late for counsel to question in this court the right of the Receiver to appear in the State court, and move the discharge of the attachment and the abatement of the suit, or to contest the case at the trial. Whatever informality may have existed in the proceeding, it was waived by the silence of the parties. Objections in matters of form to modes of procedure in the court below cannot be urged here for the first time. But, independently of this consideration, we are of opinion that it was a proper proceeding on the part of the Receiver to apply to the court below to discharge the attachment on proof of the facts presented by him, and the production of his appointment, and the decree dissolving the association. Invested with the rights of the bank to the possession of the property by his appointment, it was his duty to take the necessary steps to remove the levy."

In *Bank* vs. *Kennedy* (17 Wall. 19), it was held that the Receiver may sue in his own name or in that of the bank; and, if he may so sue, he may so defend. In the Bank of Bethel case, above cited, while the Receiver was not a party to the suit, and does not appear to have taken any part in it, in the Supreme Court, it appears from the report of the case in the Supreme Court of Connecticut, from which court the case was taken to the Supreme Court of the United States, that the suit was there defended by the Receiver, by direction of the Comptroller of the Currency, in the name of the defendant to the suit, for the benefit of the stockholders and creditors of the bank. (*National Bank of Pahquioque* vs. *Bank of Bethel*, 36 Conn. 325.)

But, while the Receiver of an insolvent National bank may, in the interests of its creditors and stockholders, and for the protection of its assets, interpose, and become a party to a suit to enforce a claim against the bank, it does not follow that he is a necessary party to such a suit. The statute creating such banking institutions, and providing for their conduct, and for their management, and for winding them up in the event of insolvency, does not require that the suit to establish a claim before a court of competent jurisdiction shall be brought against the Receiver. The provision of the statute is that:

"From time to time, after full provision has been first made for refunding to the United States any deficiency in redeeming the notes of such association, the Comptroller shall make a ratable dividend of the money so paid over to him by such Receiver on all such claims as may have been proved to his satisfaction or adjudicated in a court of competent jurisdiction." (Rev. St. § 5236.)

Under this language, the Supreme Court, in the case of *National Bank of Pahquioque* vs. *Bank of Bethel* (*supra*), sustained a suit against the insolvent bank, to which the Receiver did not appear as a party; and in *National Bank of the Commonwealth* vs. *Mechanics' National Bank* (94 U. S. 437, 440), it was expressly held that claims against an insolvent bank, whose validity is established by a judgment in a court of competent jurisdiction, and claims that are proved to the satisfaction of the Comptroller, stand upon the same footing. In that case a suit against the insolvent bank for interest accruing after the allowance of the principal sum by the Receiver was sustained, although the Receiver was not a party thereto. In the cases of *Turner* vs. *Bank* (26 Iowa, 562) and *Green* vs. *Bank* (7 Hun, 63), cited and relied on by the appellee, it was held that the Receiver was a proper party to a suit brought in a court of competent jurisdiction to establish a claim against the insolvent bank; but in neither of those cases was it held that he is a necessary party to such a suit. *Case* vs. *Bank* (100 U. S. 446), was an action by the Citizens' Bank of Louisiana against the Receiver of the Crescent City National Bank to recover damages for a refusal on the part of the latter bank, prior to its insolvency, to permit a transfer of certain shares of its capital stock. The proof showing, and the jury having found, that the Citizens' Bank was damaged by that refusal on the part of the insolvent bank in a certain sum of money, the Supreme Court sustained the action against the Receiver of the insolvent bank, and affirmed the judgment of the lower court, directing the Receiver to recognize the Citizens' Bank as a creditor for the amount in which it had been damaged, and requiring him to provide for its payment along with the other creditors of the insolvent bank.

It results, we think, from the decisions of the Supreme Court to which we have referred, that an action to establish the validity of a claim against an insolvent bank may be brought in a court of competent jurisdiction against both the insolvent bank and the Receiver, or against the insolvent bank or the Receiver; and if against the Receiver either jointly with the insolvent bank or against him only, he may be directed by the judgment in the action to recognize the claim, and to provide for its payment along with the other claims against the bank; and if against the insolvent bank only, it is binding upon the Receiver, unless void by reason of fraud or collusion. The case is analogous to that of a suit brought against a debtor for the recovery of a debt, after a general assignment of his property made to a trustee for the benefit of creditors. The contract between the debtor and creditor would still subsist, and could be enforced by suit against the debtor, and a judgment between the original parties on the contract would necessarily establish the existence and extent of the obligation between them, as well as against a trustee of his estate for the benefit of creditors. *Pringle* vs. *Woolworth* (90 N. Y. 502, 511.) That was evidently the view taken by the Supreme Court of the National Banking Act in the case of *Bank of Bethel* vs. *Pahquioque Bank*, *supra*, where it said: "Claims presented by creditors may be proved before the Receiver, or they may be put in suit in any court of competent jurisdiction as a means of establishing their validity." (14 Wall. 401.)

The validity of the complainant's claim being thus established against the bank, and the Receiver continuing to reject it, the claimant is clearly entitled to some remedy to enforce his right. That he cannot resort to mandamus is conceded by the appellee. The United States courts have no jurisdiction in mandamus except where the right sought is ancillary to their other powers, or to enforce their own judgments. (*McIntire* vs. *Wood*, 7 Cranch, 504; *Bath Co.* vs. *Amy*, 13 Wall. 244; *Rosenbaum* vs. *Bauer*, 120 U. S. 450; *Gares* vs. *Association*, 55 Fed. 209.) But there is no difficulty in the way of the complainant maintaining an action at law against the Receiver upon the judgment recovered by him in the State court. (*Hinckman* vs. *Macon Co.* 42 Fed. 759; Freem. Judgm. § 432; 2 Black, Judgm. § 958, and cases there cited.) The judgment in such action at law may direct the Receiver to recognize the claim of the complainant, and to provide for its payment along with all other claims against the insolvent bank. (*Case* vs. *Bank*, 100 U. S. *supra*.) This affords complainant a plain, speedy, and adequate remedy, and therefore he cannot resort to equity. The judgment is affirmed.

CHECK—TIME WITHIN WHICH CHECK MUST BE PRESENTED.

Supreme Court of Vermont, October Term, 1895.

GREGG *vs.* BEANE.

The payee of a check must present the same with reasonable diligence.

In the absence of special circumstances a check must be presented to the bank on which it is drawn, if the bank be in the same place with the holder, or forwarded by mail if the bank be in another place, by the next secular day after it is received.

The depositing of a check in a local bank for collection does not give the holder the benefit of an additional day.

MUNSON, *J.:* The plaintiffs claim to recover the amount of a check drawn in their favor by the defendant on S. M. Dorr's Sons, private bankers at Bristol, Vt., and mailed them in payment of an indebtedness. The check was received by the plaintiffs at their place of business in Trumansburg, N. Y., on August 9, and was forwarded on the same day to the First National Bank of Ithaca, N. Y., for collection. On August 10, the bank at Ithaca mailed the check for collection to its reserve agent, the Fourth National Bank of New York city. This bank received it on August 11, and on the 12th mailed it for collection to the Merchants' National Bank of Burlington, one of the banks through which it made its collection in Vermont. The 13th was Sunday. The Burlington bank received the check on the morning of the 14th, at an hour which did not permit of its being sent to Bristol by the morning mail of that day. The banking house of S. M. Dorr's Sons closed its doors on the 14th, at 10 o'clock in the forenoon.

It is found that twenty-four hours is required for the transmission of mail between Trumansburg and Bristol; and, in the absence of any statement as to the hours of departure and arrival, it must be assumed from this general finding that a letter mailed in Trumansburg to a correspondent in Bristol would be received on the following day. There is no special finding in regard to mails from Ithaca, but it is evident from its location and connections that it is within the facts found in regard to Trumansburg.

It appears then that, if the Ithaca bank had mailed the check directly to some one in Bristol, it would have been received on the 11th, and would have been presented by the 12th, and paid. No claim inconsistent with this view is made in argument.

It is found that, in collecting a check in the usual way, the payee deposits it in a local bank, and that the local bank sends it to its reserve bank in Boston, New York, Albany, or Troy, and that the reserve bank sends it to its correspondent bank nearest the bank on which the check is drawn, and that the correspondent bank sends it to the drawee. It is found, however, that in some cases a reserve bank receiving a check for collection sends it directly to the bank on which it is drawn; but it is also found that, if this course had been pursued in the present instance, the check would not have reached Bristol in due course of mail until after the suspension. It is further found that, in collecting this check, the plaintiffs pursued the usual and ordinary course, and that there was not in that course any unusual or unnecessary delay.

The plaintiffs claim that the finding of the court below that this check was forwarded for collection in the usual way is conclusive upon the question of diligence. But this cannot be so, unless it be considered that any change of method which grows into a settled practice of itself works a modification of the law. It can hardly be claimed that custom is so exclusively the test of diligence that the adoption of a particular practice by any class of business men leaves nothing for the determination of the court. When the custom of one period has resulted in the adoption of a definite legal rule, the development of a new custom will not effect a modification of the rule in advance of judical sanction. The case shows the manner in which this check was forwarded for presentment, and, when the facts are found, due dilligence is a question of law. The rule, in its most general statement, requires the payee of a check to present it for payment with reasonable diligence. But the law goes further than this general statement, and determines what reasonable diligence is under ordinary circumstances. When the case presents only the simple facts of time, location, and stated means of communication, the question of liability is to be determined by an application of the more definite rule. It is only when the case presents special circumstances which are claimed to warrant further delay that the court is left without other guidance than the general requirement. This case discloses nothing in the nature of an excuse for delay.

It is well settled that a check must be presented to the bank on which it is drawn if the bank be in the same place with the holder, or forwarded by mail if the bank be in another place, by the next secular day after it is received, and that the depositing of the check in a local bank for collection does not give the holder the benefit of an additional day. So this check was forwarded neither earlier nor later than the law required; and the controversy is confined to the question whether it was forwarded in the proper manner.

As presented by the findings, the question is whether the local bank was justified in forwarding the check through its New York correspondent. The defendant sustained no harm from the course taken by the New York bank in sending it to Burlington.

It is said in Daniel on Negotiabe Instruments that, when the payee receives a check from the drawer in a place distant from the place where the bank on which it is drawn is located, it will be sufficient if he forward it by post to some person in the latter place on the next secular day after it is received, and if the person to whom it is thus forwarded present it for payment on the day after it has reached him by due course of mail.

If this be accepted as a correct statement of the rule, it would seem not to permit the collection through a correspondent so remote as to delay the presentment a day beyond the time so allowed. It is true that the rule is sometimes stated to be that the check should be forwarded for presentation on the day after it is received, and that the agent to whom it is forwarded must in like manner present it, or forward it, on the day after he receives it. This phraseology might seem to contemplate the collection of a check by means of several agents. But statements regarding the forwarding of a check by successive holders will ordinarily be found to refer to checks drawn for the purpose of being put in circulation, or to questions arising between indorser and indorsee where a check given in payment has been diverted from its proper use. Statements applicable to such cases must not be taken to indicate that the requirement of diligence, as between payee and drawer, will be satisfied by a regular transmission upon successive days, if an improper number of agents be employed.

The rule is ordinarily stated to be that the payee or the local bank receiving it for collection must forward it directly to the place of payment. It is said in Byles on Bills that the bank receiving it for collection cannot postpone the time of presentment by circulating it through agents or branches of the bank. In *Moule* vs. *Brown* (4 Bing. N. C. 266) the right of a branch office of the plaintiff bank to send through the home office, in accordance with the custom of the bank, was considered and denied.

We do not find that any modification of the rule as before stated has been recognized in recent cases. In *Bank* vs *Miller* (37 Neb. 500), the question was as to the liability of the payee on his indorsement to the bank. The check was deposited on Saturday, May 31 and was drawn on a bank located at Courtland, twenty-seven miles distant from the bank of deposit, and accessible by two daily mails. On receiving the check, the Bank of Wymore mailed it to a bank in St. Joseph, Mo., for collection, and this bank mailed it to a bank in Omaha for collection, and the latter bank mailed it to the bank on which it was drawn. The Court said the evidence did not show that this method of presentment was in accordance with any custom of bankers, but said, further, that, if such a custom had been shown, it would not have relieved the bank from liability. Without undertaking to lay down any general rule, the Court said that, in this case, Tuesday, June 3, would have been a reasonable time within which to make presentment. This was in accordance with the rule as stated by Daniel.

In *Gifford* vs. *Hardell* (88 Wis. 538) a check indorsed by the defendant was delivered to the plaintiff's agent at Dousman on July 17 and was at once mailed to the plaintiff at New Richmond, who received it on the 18th, and at once delivered it to a local bank for collection. This bank had no correspondent in Milwaukee, and immediately mailed the check to its correspondent in Chicago. From Chicago it was forwarded to Milwaukee, and presented on the 21st. If the check had been sent directly to Milwaukee from New Richmond, it would have arrived in time for presentation on the 20th, and would have been paid. The trial court held that sending the check for collection by way of Chicago was not reasonably diligent, and directed a verdict for defendant. On appeal the judgment was sustained, the Court saying that, when the defendant delivered the check at Dousman, he had a right to expect that the plaintiff or his agent would present it for payment within a reasonable time, instead of which it was sent to New Richmond, several hundred miles northwest of Milwaukee, and then sent back through Milwaukee to Chicago, and from there returned to Milwaukee. The Court then stated how a check should be forwarded and presented in such cases, its rule corresponding to that given by Daniel.

The rule is similarly stated in *Holmes* vs. *Roe* (62 Mich. 199). In *First Nat. Bank of Grafton* vs. *Buckhannon Bank* (80 Md. 475, 31 Atl. 302), the plaintiff bank, located at Grafton, W. Va. received on January 12, in payment of a balance due it, a check on J. J. Nicholson & Sons, of Baltimore, and on the same day forwarded it for collection to its correspondent bank in Philadelphia. The Philadelphia bank received it on the 13th and at once mailed it to its correspondent bank in Baltimore. This bank received it on the 14th, and presented it to the drawee on the same day. The court sustained this presentment, on the ground that the Grafton Bank, having sent out the check one day sooner than was necessary, had it in Baltimore for presentment, on the day required, notwithstanding its transmission through Philadelphia.

We think that if this rule of commercial law, stated in the various text-books, and affirmed by these recent cases, is to be modified in derogation of the rights of drawers of checks, it should be done by legislative enactment. Judgment reversed and judgment for defendant.

LIABILITY OF STOCKHOLDER—BY-LAW.

Supreme Court of California, May 26, 1897.

WELLS *vs.* BLACK, *et al.*

A by-law which attempts to limit the statutory and constitutional liability of the stockholders in a bank is void.

A waiver of stockholder's liability, classed as one of the by-laws and printed with them in each depositor's book, and followed by a formal agreement to be signed, is of no effect unless actually signed by the depositor.

This was an action by a depositor in the Savings Bank of San Diego to enforce the constitutional and statutory liability as stockholders of the bank. The defendants contended: (1) That the bank was a Savings bank, and deposits therein did not create corporate debts or liabilities. (2) That if a stockholder's liability did exist for such deposits that liability was waived by the depositors in this case.

HENSHAW, *J.* (omitting part of the opinion): The waiver insisted upon is two-fold: First, by the terms of the by-laws, assented to by the depositors; second, by positive agreement, signed by them. The by-law relied upon is not in strictness a by-law at all. By-laws are the body of rules laid down for the government of a corporation, its officers and stockholders, in the conduct of its affairs. This so-called by-law is merely a form of agreement couched in the first person, presumably to be assented to in some formal way by a depositor, though this is not made to appear. In and of itself it is not binding upon anybody. It reads as follows:

"In consideration of the receipt by the Savings Bank of San Diego County of the deposits now made and hereafter to be made by me with it, I do hereby, for myself, my heirs, executors, administrators, and assigns, covenant, promise, and agree to and with said Savings Bank of San Diego County to be governed in all respects in regard to all moneys which may be deposited by me with said corporation by the conditions above written and by its by-laws; and that all moneys now or hereafter to be deposited by me with said Savings Bank of San Diego County shall be reimbursable only out of the first disposable funds that shall come into the hands of said Savings Bank of San Diego County after the date of my demand for the reimbursement thereof, and after the payment of all sums for the reimbursement, of which demand shall have been made prior to the date of my demand, as provided for in the foregoing conditions; and, further, I waive any and all claim or claims, whether founded upon the statutes or upon the Constitution of the State of California, which, without this stipulation, I might have to hold any individual corporator or corporators, officers, members, or stockholders of this corporation, or his, her, or their heirs, executors, administrators, or assigns, personally liable, jointly or severally, for any losses, and I consent to look for my security solely to the capital stock and the assets of the corporation."

Had the depositors signed this, or in any other equally effective manner agreed to its terms, a different question would be presented. It was printed, it is true, with the by-laws in each depositor's book, and following it was a formal agreement to be signed, but this agreement was not, in fact, signed by any of plaintiff's assignors. Nor is the position of appellants bettered if the provision above quoted be treated as a by-law. It would then be a by-law asserting that the stockholders of this corporation were not held to their constitutional liability. But corporations may make only such by-laws as are consistent with the constitution and laws of the State. (Civ. Code, § 801; Cook, Stock, Stockh. & Corp. Law, §700a, and note.)

Such a by-law clearly contravenes them, and is therefore void. Being void, it carried no notice to, and had no binding force upon, depositors. Not that the corporation could not on behalf of its stockholders contract for a waiver of their liability. As has been said before, it could; but such a contract cannot find its sole expression in a void by-law. The second ground of waiver rests upon the following facts: Depositors were, as is usual, called upon to write their names in a book designated "Signature Book." At the top of each page of this book was printed matter, headed "Agreement." Below this printed matter were ruled lines extending across the entire page, and under these the page was spaced and divided by perpendicular lines. The top of each space bore appropriate and directing words, viz.: "Number," "Date," "Name," "Signature," "Remarks." The printed matter, with other things, contained in its last line a release of the stockholders from liability. Upon this question it is enough to say that the court found, upon sufficient evidence, that the depositors, in writing their signatures upon the book, did not sign nor become bound by the printed agreement. There is thus presented, not the case of one who knowingly signs an agreement heedless of its contents. The finding of the court is that the plaintiff's assignors merely wrote their names in the signature book, and did not at all subscribe to the agreement.

(3) Since the relation of debtor and creditor existed between the bank and its depositors, it follows that the debt was created and the liability incurred at the time of the acceptance of each deposit. At the expiration of three years the right to enforce the stockholders' liability was at an end. (Code Civ. Proc. § 359; *Hunt* vs. *Ward*, 99 Cal. 612, *Bank of San Luis Obispo* vs. *Pacific Coast S. S. Co.* 103 Cal. 594.)

Whatever divergence of views may be found in the earlier adjudications, the cases above cited contain the last expressions of the court upon the question. It follows, therefore, that plaintiff's cause of action is barred as to all deposits made more than three years before the commencement of the action. The judgment is ordered modified to conform to these views, appellants to have their costs upon appeal.

LIABILITY OF STOCKHOLDER—STOCK HELD AS COLLATERAL SECURITY.

United States Circuit Court of Appeals, Second Circuit, April 8, 1897.

NATIONAL PARK BANK OF THE CITY OF NEW YORK *vs.* HARMON.

If a person receives shares of the stock of a National bank as collateral security for a debt due to him from the owner, with a power of attorney authorizing him to transfer the same on the books of the bank, and he in good faith causes the shares to be transferred on such books to another, under an agreement that they are to be held as security for the debt due from the real owner to the creditor, he will not be treated as a shareholder within the meaning of Section 5151, Rev. Stat., U. S.

This was an action at law brought by the Receiver of the Stock Growers' National Bank against the National Park Bank of the City of New York to recover an assessment made by the Comptroller of the Currency upon the stockholders of the first-named bank. The trial judge ruled that the defendant was a stockholder, and directed a verdict for the plaintiff.

Before PECKHAM, *Circuit Justice*, and WALLACE and SHIPMAN, *Circuit Judges.*

WALLACE, *Circuit Judge:* The question presented by the assignment of error is whether the defendant was, within the meaning of Section 5151 of the United States

Revised Statutes, a stockholder of the Stock Growers' National Bank, a national banking association.

The Stock Growers' National Bank became insolvent in August, 1893; a Receiver was appointed; and April 23, 1894, the Comptroller of the Currency, in virtue of the authority conferred upon him by law, made an assessment upon the stockholders of $100 upon each and every share of capital stock of the bank owned by them, respectively, at the time of its failure. This action was brought to recover the assessment upon forty shares of the capital stock, which stood upon the books of the bank in the name of one Holbrook, upon the theory that Holbrook was merely the nominal, and the defendant was the real, stockholder, as to those shares.

It appeared upon the trial that the shares originally belonged to one Stebbins; he being the registered owner upon the books, and the bank having issued to him a certificate therefor. Stebbins pledged the certificate to Chrystie & Janney as collateral for a loan, with authority to them to use or sell the same, and indorsed thereon an assignment and transfer of the shares in blank, accompanied with a power of attorney to transfer the shares on the books of the bank. Subsequently, and on or about November 24, 1891, Chrystie & Janney pledged and delivered the certificate to the defendant as collateral security for the payment of a loan of $7,000 on demand. By the terms of the pledge the defendant was authorized, in case of non-payment of the loan, to sell the shares, without notice, at public or private sale, and apply the proceeds to the payment thereof. July 6, 1892, the loan of Chrystie & Janney not having been paid, the defendant procured a transfer of the shares to be made on the books of the Stock Growers' National Bank to Holbrook; surrendering the certificate which had been pledged, and receiving from the bank a new one, showing Holbrook to be the owner of the shares. The new certificate, when received by the defendant from the Stock Growers' National Bank, was immediately indorsed in blank by Holbrook, and placed among the demand-loan collaterals of the defendant; and up to the time of the trial it had been held by the defendant as collateral to the loan of Chrystie & Janney, and Chrystie & Janney were paying interest upon the loan to the defendant. Holbrook was an employe of the defendant, was irresponsible, and had no interest in the transaction. The defendant caused the transfer to be made to him because it was unwilling to allow Stebbins to remain the registered owner of the shares, and desired to have them stand upon the books of the Stock Growers' National Bank in the name of its own employe, as registered owner. There was no evidence tending to show that the Stock Growers' National Bank was insolvent when this transaction took place, or that the defendant caused the transfer of the shares to be made from Stebbins to Holbrook because of any suspicion of the insolvency of the Stock Growers' National Bank. The defendant never received any dividends nor voted upon the shares. Upon these facts, we conclude that the defendant was not liable as a stockholder of the insolvent bank.

The adjudications of the Supreme Court are controlling authority for several propositions applicable to the case in hand, which are as follows: (1) The real owner of the shares of the capital stock of a national banking association may in every case be treated as a shareholder, within the meaning of Section 5151. (2) Any person who holds himself out as the owner of the shares, by allowing himself to appear as the registered owner thereof upon the books of the banking association, may likewise be treated as a shareholder, within the meaning of that section. (3) If the real owner of the shares transfers them to another person, or causes them to be placed on the books of the banking association in the name of another person, with the intent simply to evade the responsibilities imposed by Section 5151 on shareholders of national banking associations, such owner may be treated, for the purposes of that section, as a shareholder, and liable as therein prescribed. (4) If a person receives shares of the stock of a national banking association as collateral security to him for a debt due from the owner, with power of attorney authorizing him to transfer the same on the books of the association, and, being unwilling to incur the responsibilities of a shareholder as prescribed by the statute, causes the shares to be transferred on such books to another, under an agreement that they are to be held as security for the debt due from the real owner to the creditor—doing so in good faith, and for the purpose only of securing payment of that debt without incurring the responsibility of a shareholder—he will not be treated as a shareholder within the meaning of Section 5151. The case of *Pauly* vs. *Trust Co.* (recently decided by the supreme court) 17 Sup. Ct. 465, after reviewing previous decisions of the supreme court upon the general question, affirms the latter proposition.

In the present case the defendant never became the owner of the shares, but remained, as it always had been, merely the pledgee thereof, and, as was pointed out by the opinion in Pauly vs. Trust Co., could not become the owner by selling the shares to itself because of its fiduciary obligation to exercise the right of sale for the benefit of the pledgors.

It follows that the trial judge erred in ruling that the defendant was a shareholder within the meaning of Section 5151, and directing a verdict for the plaintiff.

The judgment is reversed.

TAXATION OF NATIONAL BANK STOCK—INJUNCTIONS TO RESTRAIN COLLECTIONS OF TAX—RECEIVER.

United States Circuit Court, District of Montana.

BROWN *vs.* FRENCH.

A court of equity has jurisdiction to restrain the sale of the property of the bank for taxes assessed upon the stock of its shareholders.

Such an action may be maintained by the Receiver of an insolvent National bank.

This was a suit by the complainant as Receiver of the First National Bank of Helena, to enjoin the defendants from proceeding to sell certain real estate of the bank for taxes claimed to be due from said bank.

KNOWLES, *District Judge* (omitting part of the opinion):

The next question presented is as to whether the court has any right to enjoin the collection of this tax. It is claimed on behalf of the defendant that the Receiver, Brown, should pay this tax under protest, and then recover the same back from the tax collector in an action at law. The tax in this case was made by law a lien upon the real estate of the bank, although not a tax on such real estate. The tax collector was proceeding, under the provision of the State law, to sell the real estate described, and had advertised the same for sale. Such a sale as this would have created a cloud upon the title of the bank to the real estate sought to be sold. The deed given in pursuance of such a sale would be *prima facie* evidence that (1) the property was lawfully assessed as required by law ; (2) the property was equalized as required by law ; (3) the taxes were levied in accordance with law. (Pol. Code Mont. § 3897.) In the case of *Huntington* vs. *Railroad Co.* 2 Sawy. 503, 514, Fed. Cas. No. 6911, Judge Sawyer held that a deed in such a case would cast a cloud upon the title to the land named therein, and said:

"In such case the court will interfere by injunction to prevent a cloud being cast upon the title. The court will enjoin the casting of a cloud upon the title in cases wherein the cloud itself, when cast, would be removed." (Pom. Eq. Jur. § 1845.)

In the case of *Railway Co.* vs. *Cheyenne* (113 U. S. 516, 525) Justice Bradley, speaking for the court, said:

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"Even the cloud cast upon his title by a tax under which such a sale would be made would be a grievance which would entitle him to go into a court of equity for relief."

In the following cases it is recognized that a court of equity will interfere to restrain the collection of an illegal tax when some established ground for equitable interference is presented: *Shelton* vs. *Platt* (139 U. S. 591); *Dows* vs. *City of Chicago* (11 Wall. 109); *Hannewinkle* vs. *Georgetown* (15 Wall. 547); *Lyon* vs. *Alley* (130 U. S. 177). Cooley, Tax'n, 422–444. If the preventing or removing a cloud upon a title is a recognized ground of equity jurisdiction, a law of a State which affords a legal remedy for the wrong complained of will not divest the court of equity of its jurisdiction in a proper case. In the case of *Barber* vs. *Barber* (21 How. 582, 592) the Supreme Court said:

"It is no objection to equity jurisdiction in the courts of the United States that there is a remedy under the local laws; for the equity jurisdiction of the Federal courts is the same in all the States, and is not affected by the existence or non-existence of an equity jurisdiction in the State tribunal."

See, also, *Kirby* vs. *Railroad Co.* (120 U. S. 180, 187).

There is another consideration presented in this case. The complainant is a receiver, and hence occupies a fiduciary relation to the creditors of said bank. In the case of *Cummings* vs. *Bank* (101 U. S. 157) the Supreme Court said (in a case where a bank held a fiduciary relation to its shareholders), "It holds a trust relation which authorizes a court of equity to see that it is protected in the exercise of the duties appertaining to it." In City of Boston vs. Beal, 51 Fed. 306, it was held that a Receiver of an insolvent bank could not be required to pay the taxes on the shares of stock of the stockholders, although the law requiring the bank, if solvent, to do this would be good.

For these reasons I hold that an injunction pending this action should issue, upon the complainant executing a bond to save defendant harmless on account of the issuing thereof in the sum of $5,000.

LIEN OF BANK ON SHARES OF STOCKHOLDER—ESTOPPEL—CASHIER.

Supreme Court of Michigan, May 28, 1897.

OAKLAND COUNTY SAVINGS BANK *vs.* STATE BANK ON CARSON CITY.

Under the statute of Michigan the transferee of bank stock is not entitled to priority over the statutory lien of the bank.

Where the transferee before acquiring the stock inquires of the Cashier if the bank has any lien on the stock, and receives an answer in the negative, the bank will be estopped to assert any such lien as against such transferee.

MONTGOMERY, *J.:* Complainant on March 23, 1893, extended a credit to Samuel S. Walker, a stockholder in the defendant corporation, upon his promissory note of $3,000, and took as collateral three certificates of deposit, each representing $1,000 worth of stock in the defendant bank. Subsequently $1,000 of the principal was paid, and one of the shares of stock surrendered. This bill is filed, after a refusal by the defendant bank to recognize the complainant's ownership in the stock, and to transfer the same upon the books of the bank, to compel such transfer. After receiving the certificates, and on the next day, the plaintiff's Cashier wrote to the Cashier of the defendant, saying: "We have taken thirty shares of stock in your bank, represented by certificates 83, 84, and 85, issued to Samuel S. Walker, as collateral security to a loan. Please advise us if you have any lien on said stock." To which the defendant's Cashier replied: "Your favor of the twenty-fourth to hand, in relation to bank stock. In reply, would say I do not hold any lien on said stock. Yours truly, E. C. Cummings, Cashier."

At the time of the transfer of the stock by Walker to the plaintiff, Mr. Walker stated to the Cashier of plaintiff that he was not indebted to the defendant bank. It now appears that at the time this letter of Cummings was written to the Cashier, and at the time of the loan, Walker was indebted to the defendant bank, and under the statute a lien existed in favor of the defendant bank upon the stock. At the time the loan was procured, Mr. Walker was financially responsible, and it is reasonably clear that, if the defendant's Cashier had informed the plaintiff of the true situation, the plaintiff would have been able to secure its claim. Walker has since become insolvent.

Two contentions are made on behalf of complainant: First, that complainant, in the first instance, as transferee of the stock, is entitled to priority over the defendant bank, as a *bona fide* purchaser of such stock; second, that, if this be not true, still the defendant has, by the letter of its Cashier, estopped itself from asserting a lien upon the stock entitled to priority over complainant. The first question is ruled against the complainant's contention by *Citizens' State Bank of Monroeville, Ind.* vs. *Kalamazoo Co. Bank* (Mich. 69 N. W. 663) and *Michigan Trust Co.* vs. *State Bank of Michigan* (Id. 645).

We think, however, that the defendant should be held estopped from asserting the priority of its lien upon this stock. The defendant's contention is that under Section 3208a8, 3 How. Ann. St., a transfer of the stock upon the books of the bank could be made only by the consent of the directors, in a case where the owner of the stock is indebted to the bank on matured paper at the time of the attempted transfer, and that the assignee takes the stock subject to this right. From this it is contended that, as the transfer of the stock subject to such a lien can only be made with the consent of the board of directors, it necessarily follows that the bank can only estop itself through the action of the board of directors.

We think this contention cannot be maintained. Undoubtedly, as to one having knowledge of the fact of an indebtedness owing by the owner of the stock to the bank, the Cashier would be without authority to waive the bank's lien. But that is not this case. It is the common practice for Cashiers to have control of the books of the bank, and to conduct its correspondence. It cannot be doubted that the purchaser of stock not incumbered by a lien in favor of the bank might have it transferred upon the bank's books without the consent of the board of directors, and the estoppel in this case arises out of the failure of the proper officer, who is custodian of the books of the bank and of its bills receivable, to truthfully answer a question relating to facts peculiarly within his knowledge.

The case of *Bank* vs. *Haskell* (51 N. H. 116) is instructive upon this question. Two questions were presented in that case: One was whether the Cashier of the bank had power to discharge the debtor of the bank without payment, or to bind the bank by an agreement that a surety should not be called upon to pay a note he had signed, or that he should have no further trouble from it; and, second, whether the bank could be estopped by his declaration that the note was paid. It was held, as to the first question, that it could not be inferred that the power to discharge an obligation due to the bank without payment, or to make such an agreement with a surety as that suggested, was within the scope of the Cashier's authority, but the Court says:

"It would be otherwise, we think, as to his declaration that the note was paid. It is his duty to receive payment, and to keep the account of it, and he is the proper person to apply to to ascertain whether a note has been paid or not. It would, indeed, be peculiarly within the scope of the business confided to him to give such information."

So here the complainant addressed the custodian of the books and of the bills receivable of the bank for information, and when the Cashier spoke in response to this request for information the bank spoke, and should be held estopped from now asserting the facts to be otherwise than as stated to complainant in response to his inquiry. (See, also, *Merchants' Bank* vs. *State Bank*, 10 Wall. 604.)

To assert that the law says that the Cashier may not permit the transfer of stock of the bank while the lien exists upon it, that it follows from this that he cannot deprive the bank of a lien, and that, therefore, every one is bound to know that, if the bank is to be estopped by any one, it is the directors, is to describe in sections the circumference of the same circle. The question is not what steps should be taken by the purchaser of stock with knowledge that it is subject to a lien in favor of the bank, but the question is what are proper steps to be taken to ascertain whether such a lien exists. If one may not do this by correspondence with the bank, or with the officer of the bank universally recognized as representing the bank in its correspondence, there would seem to be an end to legitimate transactions in stock of corporations.

The fault in this assertion lies in a failure to recognize that, preliminary to the question of whether there shall be a transfer, preliminary to the purchase of the stock, common prudence suggests that the purchaser may inquire in the usual channels for the purpose of ascertaining whether the stock is subject to a lien. If such an inquiry be directed to the party who conducts the correspondence of the bank, it is bare assertion to say that, because he has not the power under the law to compel the board to consent to the transfer of the stock, he cannot, through a simple lie, estop the bank. The point is that in the correspondence upon the subject the bank speaks, through the Cashier. It is the bank that speaks, itself, by an assertion which it makes by a perfectly proper and competent agency in that behalf. The decree should be reversed, and a decree entered in this court for complainant.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: CHARLESTON, S. C., June 30, 1897.

SIR:—We find among banks two practices in regard to bills of lading sent with time drafts for collection. One bank will deliver the bill of lading on acceptance of draft, another only on payment of the money. Some drafts come with instructions not to deliver b. l. until paid. On those the responsibility is clear; but when they are sent without instructions is it proper to deliver the bills of lading on acceptance of draft, or is the bank responsible to the sender if the drawee does not pay his accepted draft? My own opinion would be that it would be better to retain the bill of lading until draft is paid, except in case of perishable goods, and then I think the bank would be justified in delivering bill of lading. This seems to be "horse sense" if it is not law. Will you kindly give us your views on this subject.

J. H. N.

Answer.—The proper rule appears to be that if a bill of exchange drawn on time be sent to an agent for collection, without special instructions, and with a bill of lading for the goods sold attached thereto, and deliverable to order, there is no implied obligation upon the agent to do more than to require acceptance of the bill of exchange before delivering the bill of lading. (Daniel on Neg. Inst. Section 1734b; *National Bank* vs. *Merchants' Bank*, 91 U. S. 94; *Marine Bank* vs. *Wright*, 48 N. Y. 1.)

In the case first cited the Supreme Court of the United States said: "The fundamental question in this case is, whether a bill of lading of merchandise deliverable to order, when attached to a time draft, and forwarded with the draft to an agent for collection, without any special instructions, may be surrendered to the drawee on his acceptance of the draft, or whether the agent's duty is to hold the bill of lading after acceptance for the payment. It seems to be a natural inference, indeed a necessary implication, from a time draft accompanied by a bill of lading indorsed in blank, that the merchandise (which in this case was cotton) specified in the bill was sold on credit, to be paid for by the accepted draft, or that the draft is a demand for an advance on the shipment, or that the transaction is a consignment to be sold by the drawee on account of the shipper. It is difficult to conceive of any other meaning the instrument can have. If so, *in the absence of any express agreement to the contrary*, the acceptor, if a purchaser, is clearly entitled to the possession of the goods on his accepting the bill, and thus giving the vendor a completed contract for payment. If the inference to be drawn from a time draft accompanied by a bill of lading is, not that it evidences a credit sale, but a request for advances on the credit of the consignment, the consequence is the same. Perhaps it is even more apparent. It plainly is, that the acceptance is not asked on the credit of the drawer of the draft, but on the faith of the consignment. * * *

The agent is instructed to collect the money mentioned in the draft, not to collect the bill of lading; and the first step in the collection is procuring the acceptance of the draft. The agent is, therefore, authorized to do all which is necessary to obtain such acceptance. If the drawee is not bound to accept without the surrender to him of the consigned property, or of the bill of lading, it is the duty of the agent to make that surrender; and if he fails to perform this duty, and in consequence thereof acceptance be refused, the drawer and indorsers of the draft are discharged."

Editor Bankers' Magazine: PEORIA, Ill., June 17, 1897.

SIR:—Referring to an article on page 896 of the BANKERS' MAGAZINE for June, I beg to call your attention to decisions of the Supreme Court of this State contra to that given in 5 Pick, 526, and which decisions of Ill. are the law here. Kindly call attention to the same and oblige. Garvin *vs.* Wiswall, 83 Ill., 215; Johnson *vs.* Stark Co., 24 Ill., 75; Jones *vs.* Nellis 41 Ill., 482.

C. E. ULRICH.

Answer.—Our correspondent is quite correct. The courts of Illinois hold that under the statutes of that State notes made payable to a person named therein or bearer must be indorsed to pass the legal title. (See case cited above.) A similar rule prevails also in Alabama. (Blackman *vs.* Lehman, 63 Ala. 547.) But this is contrary to the rule of the law merchant and the rule of the Negotiable Instrument Law. (See Laws New York, 1897, ch. 612, sec. 28; Laws Connecticut, 1897, ch. 74, sec. 9; Laws Colorado, 1897, ch. 239, sec. 9; Laws Florida, No. 10, ch. 4524, sec. 9.)

Editor Bankers' Magazine: HALIFAX, Nova Scotia, June 25, 1897.

SIR:—Will a note remain indefinitely within the statute of limitation, made by a party in Massachusetts, payable to a party in Nova Scotia on demand. The interest being paid fairly promptly by checks in which no mention is made of the purpose for which said checks are made, and no indorsement of interest paid made on note for about six years?

Please give short account of best legal steps to collect note described above while within statute of limitation, and oblige an

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Answer.—We infer that the above inquiry relates solely to the liability of the maker of the note, and that there is no indorser to be charged. As regards the maker, he continues to be liable until the instrument is discharged, or action thereon is barred by the statute of limitations. The rule is well established that a part payment, either on account of interest or principal, will take the whole residue of both out of the statute; and the statute will run from the last of such partial payments. (Parsons on Contracts, 74, 77.) It is not necessary that such payments should be endorsed upon the notes; but the fact that they were made on account of such notes may be proved by any competent evidence. But until advised more fully of the facts, we could not say what would be competent and appropriate evidence of such first payments, and can not advise as to the best course to be pursued.

Editor Bankers' Magazine: SAN FRANCISCO, Cal., June 5, 1897.

SIR:—It is customary for banks, by their officers, to issue and give out written orders on themselves for the payment of money by themselves, the banks, which orders are called "Cashier's checks," being in form and wording similar to ordinary checks. Several banks have been advised that these orders (Cashier's checks) are nothing but certificates of deposit. Do you agree that these adviser's conclusions are correct, and that where the by-laws of a clearing-house provide that the bank's clearing-house stamp shall not guarantee the endorsement of the original payee of a certificate of deposit, that the by-law is likewise operative that the bank's clearing house stamp will not guarantee the endorsement signature of the original payee of a "Cashier's check"?

The by-law provides that the bank's clearing-house stamp shall *guarantee* the validity and regularity of all prior indorsements, *on all negotiable paper* that is cleared, *except* the indorsement of an original payee of a certificate of deposit.

On page 723 of your May number, in a proposed negotiable instrument law (sec. 185) a check is a bill of exchange, etc., and looking back to page 718, sec. 130, where in a bill the drawer and drawee are the same person, the holder may treat it at his option as either a bill of exchange or a promissory note. Does such provision apply under the present law of New York or California, that a Cashier's check is a promissory note, as one would infer by sec. 130? A BANKER.

Answer.—(1) The reason of the by-law referred to is plain, viz.: that the bank issuing a certificate of deposit ought to know the signature of the person to whom such certificate is issued; and that the rule applicable to such cases should be the same as that which applies between the bank and the drawer of a check, which is that the bank is bound to know the signature of the drawer. The same reason prevails with equal force in the case of a Cashier's check; and hence we think that they would be deemed certificates of deposit within the meaning of the by-law. (2) The provision of the Negotiable Instruments Law above referred to is the same as the rule of the law merchant. (See Planters' Bank *vs.* Evans, 36 Texas, 592; Chicago R. R. Co. *vs.* West, 37 Ind. 211. Daniel on Negotiable Instruments § 128.) The case does not appear to be provided for by the Civil Code of California; but we assume that the courts of that State would adhere to the law merchant in this respect. The precise question does not appear to have been decided in New York; but as the Negotiable Instruments Law has been adopted in this State the question can no longer be of practical importance here.

Editor Bankers' Magazine: DELTA, Pa., June 9, 1897.

SIR:—In issue BANKERS' MAGAZINE for October, '96, I notice on page 408 an enquiry from Mo. as to the liability of an endorser on note made payable to the bank, your reply being that in States where such endorser is held to be joint maker, guarantor or endorser, protest is not necessary. Will you kindly state what construction Penna. law puts on such a case? We regard such an endorser not bound to the bank in this state. Are we correct?

L. K. STUBBS, *Cashier.*

Answer.—The inquiry referred to related to the liability of an indorser on a note drawn to the order of a bank and discounted by the bank; and in the reply it was stated that under the rule which prevails in some jurisdictions, a person so placing his name on the back of a note is regarded as a joint maker. In Pennsylvania, a person so signing is deemed a second indorser, and not liable to the payee (*Shafer* vs. *The Farmers and Mechanics' Bank*, 9 P. F. Smith, 144; *Arnott* vs. *Symonds*, 87 Pa. St. 99; *Eilbert* vs. *Finkheimer*, 68 Pa. St. 247), and consequently the view of our correspondent is correct.

LIST OF TREASURERS OF THE UNITED STATES.

Continental Treasurer. The germ of the Treasury Department was planted when, on July 29, 1775, the Continental Congress appointed two Treasurers. The appointments were Michael Hillegas and George Clymer. The latter soon resigned to accept his seat as delegate to the Congress. Mr. Hillegas discharged the duties of Treasurer until September 11, 1789.

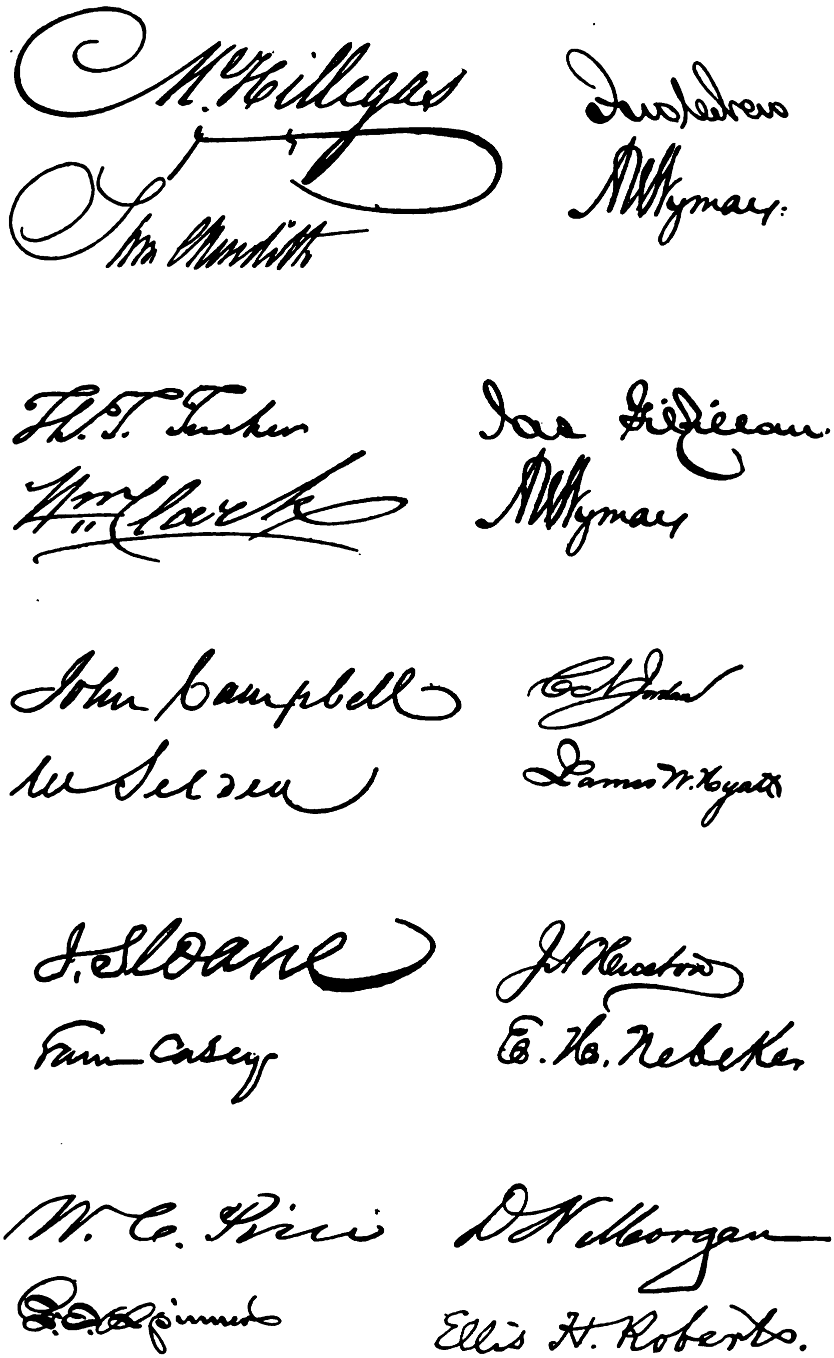
The Treasury Department was organized under the Act of September 2, 1789. Strictly speaking, it was organized, for the department, under various names, had been in existence since 1775. The Constitution went into effect March 4, 1789. Washington was inaugurated as the first President of the United States April 30, 1789.

It will thus be seen that Mr. Hillegas was Treasurer for nearly five months after the inauguration of Washington, and for nine days after the Treasury Department was organized under the Constitution.

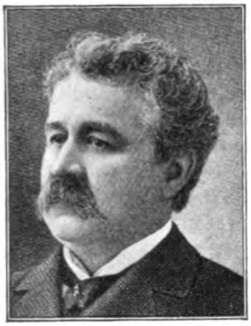
Following is a list of all the Treasurers of the United States from the foundation of the Government to the present time, with place of appointment, date of commission and expiration of service; facsimiles of their signatures appear on the next page.

TREASURERS OF THE UNITED STATES, 1789–1897.

Name.	*Whence appointed.*	*Date of commission.*	*Expiration of service.*
1. MICHAEL HILLEGAS	Pennsylvania	July 29, 1775	Sept. 11, 1789
2. SAMUEL MEREDITH	Pennsylvania	Sept. 11, 1789	Oct. 31, 1801
3. THOMAS T. TUCKER	South Carolina	Dec. 1, 1801	May 2, 1828
4. WILLIAM CLARK	Pennsylvania	June 4, 1828	May 31, 1829
5. JOHN CAMPBELL	Virginia	May 26, 1829	July 20, 1839
6. WILLIAM SELDEN	Virginia	July 22, 1839	Nov. 23, 1850
7. JOHN SLOANE	Ohio	Nov. 27, 1850	April 6, 1853
8. SAMUEL CASEY	Kentucky	April 4, 1853	Dec. 22, 1859
9. WILLIAM C. PRICE	Missouri	Feb. 28, 1860	Mar. 21, 1861
10. F. E. SPINNER	New York	Mar. 16, 1861	June 30, 1875
11. JOHN C. NEW	Indiana	June 30, 1875	July 1, 1876
12. A. U. WYMAN	Wisconsin	July 1, 1876	June 30, 1877
13. JAMES GILFILLAN	Connecticut	July 1, 1877	Mar. 31, 1883
14. A. U. WYMAN	Wisconsin	April 1, 1883	April 30, 1885
15. CONRAD N. JORDAN	New York	May 1, 1885	May 23, 1887
16. JAMES W. HYATT	Connecticut	May 24, 1887	May 10, 1889
17. J. N. HUSTON	Indiana	May 11, 1889	April 24, 1891
18. ENOS H. NEBEKER	Indiana	April 25, 1891	May 31, 1893
19. DANIEL N. MORGAN	Connecticut	June 1, 1893	June 30, 1897
20. ELLIS H. ROBERTS	New York	June 9, 1897	....



FACSIMILE SIGNATURES OF ALL THE TREASURERS OF THE UNITED STATES.



ROBERT J. LOWRY,
President.

JOSEPH C. HENDRIX,
First Vice-President.

ALVAH TROWBRIDGE,
Chairman Executive Council.

WILLIAM H. PORTER,
Treasurer.

JAMES R. BRANCH,
Secretary.

AMERICAN BANKERS' ASSOCIATION.

TWENTY-THIRD ANNUAL CONVENTION

TO BE HELD AT DETROIT, MICH., TUESDAY, WEDNESDAY AND THURSDAY, AUGUST 17, 18 AND 19.

BRIEF HISTORY OF THE ASSOCIATION, WITH PORTRAITS AND SKETCHES.

THE "City of the Straits" will this year have the pleasure of entertaining what promises to be one of the largest and and most successful conventions of the American Bankers' Association in the history of the organization.

Detroit is one of the most attractive cities of the country, contiguous to the great inland seas, and offers special advantages to those who wish to combine the delights of a pleasant recreation tour with the practical benefits incident to attendance upon the convention.

That ample provision has been made for the comfort and enjoyment of all who attend is fully shown by the social features enumerated in the programme which follows. Some of the conventions in recent years have been especially notable in this respect, those at Baltimore, Atlanta, and St. Louis particularly, and it is not likely that the Detroit bankers will be outdone even by southern hospitality.

The programme is replete with topics of practical interest, and the open discussion of these subjects by many of the representative bankers of the country will be a source of valuable information.

It is gratifying to note that the association is rapidly gaining in membership. On October 17, 1895, the total paid membership was 1,511; it is now 2,686. This large increase is attributed to the protective features, to the increased liberality of the methods of conducting the conventions, and to the energetic efforts that are being put forth by the officers and members to increase the popularity and usefulness of the association.

Protective Features of the Association.

The successful development of a plan to protect members of the American Bankers' Association from the aggressions of professional bank criminals is the subject of sincere congratulation. Three years ago the idea was first broached, and by degrees, under the guidance of the protective committee which is appointed by the executive council of the association, it has been developed into an organization and combination of men and of influences of great value. The protective committee is composed of three carefully selected members, all important bank officers, and the rules of the association very wisely provide that their names shall be kept secret. This committee has worked on the principle of clearing the field of all of the dangerous foes of the banks, by relentless prosecution, and of serving notice on all professional criminals that it is extra-hazardous to operate against a member of the association. In two years the ablest of the forgers and burglars have been sent to prison. The most dangerous, because the most talented forger, is now serving a life sentence. The year which closes with the approaching convention has been a busy one, but the committee finds that it has had to deal with forgers and bank thieves of inferior ability. The service gratuitously rendered by the committee has been conspicuously effective, and has attracted to the association many new members. Each year of the protective committee's work is of increasing value to the association in the accumulation of information and the wider range of the combination of protective influences. The work of the committee aptly illustrates how a practical idea, firmly supported, can grow into an effective, tangible and well organized form. The members of the American Bankers' Association may well be proud of the protective feature.

Attention is called to the fact that the work now being done in this direction by the American Bankers' Association, can not possibly be done by State associations, owing to the necessary restrictions imposed upon them by State lines.

Proposed Amendments to the Constitution.

It is expected that two important amendments to the Constitution of the American Bankers' Association will come before the convention at Detroit.

(1) It is proposed to amend Section 1 of Article III of the constitution, providing that five members of the executive council shall be chosen by the delegates from the several State associations of banks and bankers represented in the convention, instead of three members of the council as now provided for by this section of the constitution. If this plan is carried out the State associations will shortly have equal representation in the council of the American Bankers' Association; and this is as it should be. The associations of banks and bankers in the various States are becoming more important year by year, and it will tend to build up the central association and promote its general usefulness by instituting this change in the council of the central organization. It is believed by those who have given the

subject careful attention that by thus recognizing the importance of the State associations, the membership of the central body will be very largely increased and its power correspondingly augmented.

At the last convention of the association, the total number of paying members was 2,188, an increase of membership of 477 over the former year. By equal representation of State associations in the council and renewed efforts by the present membership, seconded by the officers of the association, it is believed that the membership can very shortly be doubled. There are in the United States about 14,000 incorporated banks and private bankers transacting a general banking business, and it seems reasonable to expect that at least one-half of this number can be brought into the association. Under the new conditions, and by further demonstration of the practical benefits resulting from membership, the association will necessarily exert a powerful influence in securing a better and more uniform standard of banking laws and customs. Such a large body of able and earnest men, working unitedly, must also assist greatly in crystallizing public opinion and in shaping legislative action in accordance with the best and soundest principles in all matters relating to finance and banking as well as other important questions of public policy.

(2) Another proposed amendment of the constitution is to provide a new method of procedure in the nomination of officers of the association. Under the proper order of business it is proposed to have the roll of States called in alphabetical order, permitting a representative of each State delegation, if he so desires, to place in nomination a candidate for president of the association, after which an informal ballot shall be taken, the two persons receiving the highest number of votes to be the candidates for the office of president; the same rule to be observed in the nominations for first vice-president and also for members of the executive council.

The proposal is to repeal Section 2 of Article III of the constitution and insert in its place a new section, in accordance with the above plan.

Under the constitution as it now stands, the president selects a nominating committee of five or seven persons to present names for president, first vice-president, and members of the council. The existing arrangement is objectionable under present conditions and the enlarged membership of the association. Every previous movement toward more democratic methods in the association has resulted in increased membership, a larger attendance and greater interest at the conventions. It is believed that the proposed change will tend to promote the best interests of the association.

It may be remembered that at the St. Louis convention last year a resolution in harmony with this proposal was introduced by Bradford Rhodes, of New York. It seemed to be popular with the delegates, but not having been presented to the executive council thirty days prior to the annual meeting, it was not in order under the existing constitution (see pages 84, 85 and 86 of the Proceedings of the Twenty-second Annual Convention, held at St. Louis, September, 1896).

At the Detroit meeting this year the proposed amendments may be properly brought before the convention immediately after the report of the executive council, which occurs in the first day's proceedings.

As a two-thirds vote of all members present is required to pass any constitutional amendment, it is desirable that there should be a large attendance of the delegates when the matter comes up for action.

This year's programme will be found of especial interest, as it embraces a wide range of live topics, and affords ample opportunity for free and open discussion. The great value of these discussions from a practical standpoint and the many attractive features incident to the convention ought to assure the greatest assembling of bankers ever held in this country.

Following is the official programme for the Detroit convention:

ORDER OF PROCEEDINGS.

Delegates and visitors will please register at the association's temporary office, Russell House. Convention will be held at the Detroit Opera House.

FIRST DAY—TUESDAY, AUGUST 17.

Convention called to order at 10 o'clock A. M., by the President. (Vice-President and members of the executive council are requested to take seats upon the platform.)

Prayer by the Rev. Henry A. Schapman, S. J., President Detroit College.

Roll Call.

Address of welcome to the State of Michigan by Gov. H. S. Pingree.

Address of welcome to the City of Detroit by the Hon. Wm. C. Maybury, Mayor.

Address of welcome to the American Bankers' Association by Mr. E. H. Butler, Chairman of Detroit Clearing-House.

Reply to the addresses of welcome, and annual address by the President of the Association, Mr. Robert J. Lowry.

Annual report by the Secretary, Mr. James R. Branch.

Annual report by the Treasurer, Mr. William H. Porter.

Report of the auditing committee.

Report of the protective committee.

Report of the executive council by the Chairman, Mr. Alvah Trowbridge.

Report of committee on uniform laws, by the Chairman, Mr. Frank W. Tracy.

Report of committee on bureau of education, by the Chairman, Mr. Wm. C. Cornwell.

Address of Hon. Lyman J. Gage, Secretary of the United States Treasury.

Meeting of the delegates from the States and Territories to choose a list of names from which the nominating committee shall be selected by the President, in accordance with Article III, Section 2, of the Constitution.

SECOND DAY—WEDNESDAY, AUGUST 18.

Convention called to order at 10 o'clock A. M., by the President.

Prayer by the Rev. D. M. Cooper, Pastor Emeritus Memorial Presbyterian Church.

Announcements.

Call of States. Brief statements, by bankers, of the general condition of business in their various States.

Practical banking questions. (Discussion limited to thirty minutes for each topic, open to all delegates under five minute rule, time to be extended by unanimous consent.)

Address by Hon. James H. Eckels, Comptroller of the Currency.

DISCUSSIONS.

1.—Is a credit bureau or bureau of information, to prevent losses from bad debts, feasible among banks?

Discussion opened by Mr. John H. Leathers, Cashier Louisville Banking Co., Louisville, Ky.

2.—What legislation is needed with respect to the currency?

Discussion opened by Mr. John P. Branch, President Merchants' National Bank, Richmond, Va.

3.—Savings banks.

Discussion opened by Mr. Myron T. Herrick, President Society for Savings, Cleveland, O.

4.—Organized capital, privileges and duties.

Discussion opened by Mr. Harvey J. Hollister, President Grand Rapids Clearing-House, Grand Rapids, Mich.

5.—Are clearing-houses for country checks practical?

Discussion opened by Mr. John C. Neeley, Cashier Merchants' National Bank, Chicago, Illinois.

6.—How would National banks with a capital of less than $50,000 be of benefit to the country?

Discussion opened by Mr. G. Gunby Jordan, President Third National Bank, Columbus, Ga.

7.—Would branch banks be beneficial or the reverse?

Discussion opened by Mr. Wm. C. Cornwell, President City Bank, Buffalo, N. Y.

THIRD DAY—THURSDAY, AUGUST 19.

Convention called to order at 10 o'clock A. M., by the president.

Prayer by the Rev. James M. Barkley, Pastor Forest Avenue Presbyterian Church.

Unfinished business.

Report of committee on nominations.

Elections.

DISCUSSIONS.

8.—Comparative profits of trust companies and banks.

Discussion open by Mr. Lawrence B. Kemp, President Commercial and Farmers' National Bank, Baltimore, Md.

9.—What can be done to increase the usefulness of the American Bankers' Association?

Discussion opened by Mr. Frank W. Tracy, President of the First National Bank, Springfield, Ill.

10.—When a bank receives from a depositor a check on itself, drawn by another of its dealers, and credits same on the pass-book of the depositor, is that check paid for, or has the bank the right to return it the same day to the depositor, and by so doing cancel the credit on the depositor's pass-book?

Discussion opened by Mr. Eugene H. Pullen, Vice-President National Bank of the Republic, New York.

11.—Currency shipments by registered mail.

Discussion opened by Mr. Charles R. Hannan, President Iowa Bankers' Association.

12.—Express money orders.

Discussion opened by Mr. L. P. Hillyer, Secretary of the Georgia Bankers' Association.

Continuation of discussion of practical banking questions.

Installation of officers elected.

The Detroit Opera House, where the business sessions of the convention will be held, is located in the immediate center of the business part of the city, and convenient to the larger hotels.

The principal hotels, and rates are as follows:

Russell.—Accommodations for 450. American plan, $3 to $5 per day. European plan, $1 to $3.50 per day.

Cadillac.—Accommodations for 250. American plan, $3 to $5 per day.

Wayne.—Accommodations for 300. American plan, $2.50 to $3.50 per day.

St. Clair.—Accommodations for 200. American plan, $2.50, $3 and $3.50 per day.

Griswold.—Accommodations for 175. American plan, $2 to $2.50 per day.

Normandie.—Accommodations for 100. American plan, $2, $2.50 and $3 per day.

The directors and house committees of the following clubs have extended the hospitality of the clubs to members wearing badges of the association:

Detroit Club.—Corner of Fort and Cass Streets.

Fellowcraft Club.—Corner of Wilcox Street and Barclay Place.

Detroit Boat Club.—Belle Isle Park. (Take ferry boat, foot of Woodward Avenue, or Jefferson Avenue cars to bridge, and then park wagon.)

Detroit Yacht Club.—Belle Isle Park. (Same as above.)

Old Club.—St. Clair Flats. (Take steamer foot Griswold Street.)

Rushmere Club.—St. Clair Flats. (Same as above.)

The Detroit Museum of Arts.—Corner of Jefferson and Hastings, will also be open to delegates.

REGISTRY ROOMS.

Russell House.—Woodward Avenue and Cadillac Square, opposite City Hall.

Members of the reception committee will be in constant attendance. Also for the convenience of the members, competent stenographers, a well informed clerk, and a corps of messenger boys will be provided.

In the registry rooms wires of the Western Union Telegraph Company; Postal Telegraph Cable Company; Local Telephone Company, (free use to members); Long Distance Telephone Company. (Gratuitous service to members of the association before nine o'clock A. M., and after 6 o'clock P. M.)

ENTERTAINMENTS.

First Day, August 17.—After 8 o'clock P. M., local time, reception at Detroit Club.

Second Day, August 18.—Depot foot of Third Street, 2 o'clock P. M., local time. Trip around city on Michigan Central Railroad Company's Belt Line. Carriages will be provided at Beaufait station, where party will leave train for a drive around the public park (Belle Isle); party will then take steamers for St. Clair Flats.

Foot of Woodward Avenue, 4 o'clock P. M., local time, excursion on steamers "Pleasure" and "Promise" to St. Clair Flats and return.

Those who make the trip around the city and park, as per first section of this paragraph, will be taken on board at the park dock, 4.30 P. M. Others who prefer to do so, can take steamers foot of Woodward Avenue, 4 o'clock P. M., local time.

Third Day, August 19.—12.30 P. M., local time, foot of Woodward Avenue, excursion on steamer "Pleasure," to Walkerville, Canada, where Messrs. Hiram Walker & Sons will entertain the party and provide luncheon from 1 to 3 o'clock. After luncheon, a ride on the river around Belle Isle Park and down as far as Deschree-shos-ka, returning to Detroit about 6 o'clock P. M.

GENERAL INVITATION.

The committee regret that the time does not permit them to extend invitations to all of the delegates, and their ladies, to visit in a body the plants of some of the larger business enterprises and manufacturing concerns located in this city.

There are, as many delegates know, large institutions here doing business in all parts of the world, and the committee feel that it would be entertaining to visit the following establishments:

Michigan Stove Co.; Parke, Davis & Co., Manufacturing Chemists; Michigan-Peninsular Car Co.'s plant; Russel Wheel and Foundry Co.; Detroit Copper and Brass Rollnig Mills; Detroit Bridge and Iron Works; American Radiator Co.; as well as many others which might be mentioned.

Any of the delegates who may be interested, and would like to visit any of these institutions, can arrange parties, and the institutions will be open to receive such visitors. Application to any member of the executive committee will receive attention, or delegates will be at liberty to visit these establishments and will be admitted by exhibiting badge of the association.

SPECIAL ANNOUNCEMENTS.

It is expected and earnestly desired that ladies accompanying delegates to the convention, as well as ladies of Detroit bank officers, directors and bankers, will participate in all that is offered for the comfort and entertainment of the guests of the bankers of Detroit.

The entertainment of the visiting ladies will be in charge of a competent committee, and at headquarters for ladies at the Russell House there will be at all times members of the committee, assisted by their wives and daughters, to see that every attention possible is shown the visitors.

The headquarters of the Michigan Bankers' Association will be in parlor C of the Russell House. A hearty welcome will be extended to all members of the American Bankers' Association and their friends.

There will be a large number of Michigan bank officers and bankers at the convention, and it is suggested that the correspondents of bankers in that State may make appointments to meet their Michigan friends at the headquarters, as above.

REDUCED RAILROAD RATES TO THE CONVENTION.

An arrangement has been effected with the various trunk-line associations by which persons attending the convention who pay full first-class fare going, shall be returned by the same route at one-third the regular rate. Selling agents will furnish, when requested, a certificate with each ticket. These certificates must be presented to the secretary of the association at the convention, in order that they may be duly stamped by the special agent for the railroads. Unstamped certificates will not be honored at the reduced rates.

Applications for certificates and tickets should be made at least thirty minutes before the departure of trains. Certificates are not kept at all stations, but information as to where they may be obtained will be given at any station.

Certificates are not transferable, and return tickets secured upon certificates are not transferable. No refund of fare will be made on account of any person failing to obtain a certificate. The return tickets are good only for continuous passage.

Be sure to get your certificate as above. Round Trip tickets cannot be purchased and reduction obtained.

TRUST COMPANY SECTION.

Arrangements have been made for the holding of the separate meeting of this section of the association on the morning of August 18 (second day of convention) at nine o'clock in the Turkish room of the Cadillac Hotel, corner of Michigan Avenue and Washington Boulevard, three blocks from City Hall.

The local committees suggest that there are a number of places of interest convenient to Detroit which it is believed the delegates and their ladies would enjoy visiting after the convention, and which can be done quite economically. Among them are Mt. Clemens, commonly called the "Bath City," Lake St. Clair, St. Clair Flats and St. Clair River to Port Huron.

The committees will be glad to arrange with delegates who wish to make this trip and stop on the way up or down for their entertainment at the different club houses on the flats.

Trip to Put-in-Bay, Lake Erie.—This locality is famous in history as the scene of the naval engagement of Commodore Perry's fleet.

The famous "Mattawas" at Kingsville, Canada, owned by Hiram Walker & Sons.

A trip up the lakes and return, on one of the Northern Steamship Co.'s ship "Northwest" or "Northland," can be made in about one week's time.

Inexpensive trips by rail and water can also be made to the famous fishing grounds and summer resorts of Northern Michigan.

PORTRAITS AND SKETCHES OF SOME OF THE ACTIVE MEMBERS.

In order to promote a more general interest in the valuable work being done by the American Bankers' Association, the BANKERS' MAGAZINE takes pleasure in presenting below portraits and brief sketches of a number of those who have been among the more active members. Portraits of the five executive officers will be found at the beginning of this article.

ROBERT J. LOWRY,

President.

The popular southern banker who now fills the office of president began his business life as a clerk in a country store owned by his father. In the early sixties he went into the banking and commission business at Atlanta.

At the close of the Civil War Capt. Lowry and his father formed the banking firm of W. M. & R. J. Lowry, which was successfully continued until the death of the elder Lowry, in 1887, when the present Lowry Banking Co. was formed, Capt. Robert J. Lowry becoming President. It is the oldest banking institution in Atlanta and has always done a prosperous business.

An extended biographical sketch of Capt. Lowry, together with a fine steel portrait, appeared in the BANKERS' MAGAZINE for March (page 380).

JOSEPH C. HENDRIX,

First Vice-President.

Joseph C. Hendrix, President of the National Union Bank, New York city, was born at Fayette, Howard county, Mo., May 25, 1853.

He has filled many important positions, having been Postmaster of Brooklyn, a Trustee of the New York and Brooklyn Bridge, President of the Board of Education of Brooklyn, and member of the Fifty-third Congress.

Mr. Hendrix organized and conducted to signal success the Kings county Trust Company of Brooklyn, whence he was invited to the presidency of the important institution over which he now presides. At the convention of the American Bankers' Association at Atlanta, Mr. Hendrix was elected a member of the executive council, and he was at once elected by the council as chairman. In this capacity, Mr. Hendrix, together with other members of the council, rendered the association an important service in perfecting the protective work, which is now a popular and useful feature of the association's work. At the convention at St. Louis, he was promoted to the first vice-presidency of the association.

ALVAH TROWBRIDGE,

Chairman Executive Committee.

The chairman of the executive council, Mr. Alvah Trowbridge, Vice-President of the National Bank of North America, New York, was born in Putnam county, N. Y., sixty years ago. Entered a country bank as a clerk in 1853; came to New York in 1868 and was for several years paying teller of the National Bank of North America, of which he became Cashier in 1883, and was elected Vice-President on June 30 of the present year.

Although the bank has long been a member of the association, Mr. Trowbridge did not become an active worker until 1893. He was made a member of the executive council at the convention at St. Louis last year and was later elected chairman of the council. The position is one calling for arduous labor and the exercise of discriminative judgment. Mr. Trowbridge has met these requirements creditably to himself and in a way calculated to forward the practical aims of the association.

WILLIAM H. PORTER,

Treasurer.

The treasurer of the association, Mr. William H. Porter, and Vice-President of the Chase National Bank, of New York, occupies a very high position among the younger bank men of the country.

He was born in Vermont in 1861; began his banking career with the Fifth Avenue Bank, of New York, where he remained for eight years, filling successively each position in the bank.

In 1886 Mr. Porter was offered the position of Cashier of the Chase National Bank, which he accepted, being at that time twenty-five years old; was elected a director in 1891, and unanimously chosen Vice-President in 1892.

Mr. Porter has made a thorough study of mercantile credits, and has inaugurated many valuable reforms in the methods of bank accounting.

JAMES R. BRANCH,

Secretary.

The secretary of the association, Col. James R. Branch, is of Virginia ancestry, and is a descendant of Christopher Branch, who located on the James River in 1634.

Col. Branch was born at Petersburg, Va., December 14, 1863, removing with his family to Richmond in the following year. After receiving an academic and collegiate education, he entered the Merchants' National Bank in 1881. At the age of twenty-one he left the bank, engaging in stock raising and other business. He returned to the bank in 1890, and became chief of the collection department.

In the summer of 1895 Col. Branch was appointed National bank examiner for the district embracing Virginia, West Va., and parts of North Carolina and Tennessee. He has been secretary of the association since October 17, 1895.

CORNELIUS A. PUGSLEY,
Member Executive Council.

Cornelius A. Pugsley, Vice-President and Cashier of the Westchester County National Bank, is a native of the Village of Peekskill-on-the-Hudson, where he has always resided and where his banking career has been developed and his reputation as a banker made.

He became connected with this bank twenty-seven years ago. Entering the financial institution as a clerk he was promoted from time to time until in 1879 he was made Cashier, and recently Vice-President.

The difficult and responsible duties of this position he has fulfilled with signal ability. During the past ten years of his administration the bank has risen from the bottom round of the ladder until to-day it is one of the strongest and staunchest National banks in the State of New York. Within the decade a surplus considerably over the amount of the bank's capital stock has been accumulated, and at the same time an annual dividend of six per cent. has been paid the stockholders.

The marvellous success and growth of the bank is almost entirely due to Mr. Pugsley's indefatigable efforts in behalf of the institution and to his remarkable business acumen, unerring judgment and extensive knowledge of men and methods of banking.

Mr. Pugsley's capacity for bank management has attracted attention in the Metropolis, and he has been offered the presidency of a well-known National bank in New York, which he has under consideration at the present time.

At St. Louis, in 1896, Mr. Pugsley was elected a member of the executive council of the American Bankers' Association for the term of three years. He was the first member from the State of New York, elected by the State bankers' associations, of the United States, in accordance with the amended constitution of the American Bankers' Association. He was a delegate to the St. Louis convention from the New York State Association.

At the organization of the New York State Bankers' Association, he was chosen chairman of Group VII.

Owing to his untiring labor, it sprang into prominence at its inception and under his administration as well as that of the succeeding chairman, it has been and is now one of the banner groups of the State.

Mr. Pugsley is not unknown outside of banking circles. He is a member of the Chamber of Commerce of the City of New York. Coming from good old Revolutionary ancestry, he is an active member of the Sons of the American Revolution, both in the General Society and the Empire State Chapter. He is president of the Board of Trustees of the Field Public Library of his native town. He is trustee and treasurer of the Field Home, and also trustee and treasurer of the Peekskill Military Academy, an institution whose fame has gone abroad.

Michigan is ably represented in the executive council by Mr. Harvey J. Hollister, of Grand Rapids, who has long been identified with the banking interests of his city. Born in Romeo, Michigan, in 1830, his early life was spent in the vicinity of that town working on a farm, teaching school and clerking in the country store at Pontiac. He went to Grand Rapids in 1850. Three years later he entered the private bank of Daniel Ball, and in 1858 was made a partner therein. This bank was succeeded in 1861 by the bank of M. L. Sweet, Mr. Hollister continuing to act as Manager of the institution.

In 1864 Mr. Sweet's bank became merged in the First National Bank, which started with a capital of $50,000, and Mr. Hollister as Cashier. The capital stock of this bank was increased to $400,000 before its charter expired, while its successor, the Old National Bank, organized in 1884, with a capital of $800 000 is the largest bank in Michigan outside of Detroit. Mr. Hollister has continued to act as Cashier and director of this bank, and has been largely identified with its successful growth.

Mr. Hollister is at present President of the Grand Rapids Clearing-House, a position he has held since its organization, some ten years ago. He is identified with very many

HARVEY J. HOLLISTER,
Member Executive Council.

of the manufacturing interests of the city, as stockholder or director; is a director of the Grand Rapids and Indiana Railroad, and Michigan Trust Co., and is President of the Charity Organization Society. He has always been a firm supporter of the principles held by the Republican party, casting his first presidential vote for John C. Fremont.

G. P. Griffith was born in Troy, N.Y., in 1840; entered Merchants and Mechanics' Bank, of Troy, in 1856, and from there went to the Albany Clearing-House in 1858. In 1859 he went to Cincinnati, as Cashier of the Western Branch of the Aetna Insurance Co. Early in 1861 became corresponding clerk with the Bank of the Ohio Valley, a State institution, and was there until August, 1863, when he was appointed teller, and afterwards Assistant Cashier of the First National Bank, of Cincinnati, one of the first banks organized under the national banking system. He remained there until January, 1866, when he was chosen Cashier of the Third National Bank, of Cincinnati, and in 1875 he was elected Vice-President. In November, 1880, Mr. Griffith left this position to start the Citizens' National Bank, of Cincinnati, becoming its Vice-President, and has since that time continued to fill this position, and in 1887 also assumed the duties of Cashier of said bank.

Mr. Griffith has always been interested in the American Bankers' Association, and helped to form the Ohio Bankers' Association, believing that such gatherings brought benefit to those that attended, in an exchange of views, and a better social acquaintance with

G. P. GRIFFITH,
Member Executive Council.

those with whom we are daily brought in business contact.

He is now serving as Vice-President of the Ohio Bankers' Association.

The District of Columbia is ably represented in the executive council by Mr. Jesse B. Wilson, President of the Lincoln National Bank, Washington.

Mr. Wilson was born in Prince George county, Md., and passed his early boyhood in the country, receiving a common-school education. In early youth he went to Washington where he secured employment as clerk in a grocery establishment. Later he entered upon the same line of business himself, and successfully conducted it for over twenty years, when he retired with a fortune.

In 1890, soon after the organization of the Lincoln National Bank, Mr. Wilson was made President. The zeal and ability which have characterized his entire business career have been conspicuous in this position. Mr. Wilson is also president of the Mutual Fire Insurance Co. and the Northern Market Co., of Washington, both prosperous enterprises.

For the past five years he has represented his bank at the meeting of the American Bankers' Association, taking the greatest interest in all the deliberations. His effort at home among the bankers of his own city, has been to create an interest in the work of the

J. B. WILSON,
Member Executive Council.

association, and induce a larger representation at the annual convention of the bankers.

B. V. LEIGH,
Member Executive Council.

Often the best biography of a bank officer is to be found in the growth of the bank with which he is connected. The subject of this sketch is Cashier of the Clinton (N. J.) National Bank, which has never missed a dividend—never paid less than ten per cent., and now pays sixteen. Its present capital is $50,000; since July 1, 1865, it has accumulated the following: surplus, $75,000; undivided profits, $17,000; deposits, $200,000.

B. V. Leigh, a member of the executive council, and Cashier of the above bank, was born at Clinton, N. J., January, 1850, and when thirteen years of age went to New York and entered a grain and flour house as collector, remaining there a year. He then went to school a year, and entered a mercantile house in Clinton as bookkeeper on February 1, 1865. In March, 1866, he entered the Clinton National Bank as teller, which position he filled until February 1, 1874, at which time he was elected Cashier, a position he has occupied ever since.

FRANK W. TRACY,
Member Executive Council.

The bankers of Illinois have been among the staunch supporters of the principles and aims of the American Bankers' Association, and Mr. Frank W. Tracy, at present a member of the executive council and President of the First National Bank, of Springfield, has done much to stimulate interest in the organization and increase the membership.

He was born in Hagerstown, Md., July 21, 1833; removed in early life to Baltimore where he received a collegiate education. At the age of eighteen he moved to the West and at first engaged in mercantile business, but in 1863 assisted in organizing the First National Bank, of Springfield, Ill., since which time he has passed from teller through the various offices to the presidency in 1879, which position he now holds.

In 1870 he was engaged with others in constructing the Springfield and Illinois Southeastern Railroad Co., which was merged into the Ohio and Mississippi Railroad Co., of which he became a director. In 1892 he was elected President of the Ohio and Mississippi Railroad Co., which position he occupied until said company was merged into the Baltimore and Ohio Southwestern Railroad Co., and is now a director and member of the executive committee of that company.

He has been engaged largely in promoting the growth of his adopted city, and has been president of several industrial companies. He was largely instrumental in the organization of the Illinois State Bankers' Association, and was the first chairman of the executive council; afterwards he became president of the association and is now chairman of the executive council and a large factor in its management. He was a member of the executive council of the American Bankers' Association from 1892 to 1895, and was re-elected in 1896.

Missouri is represented in the executive council by Mr. Walker Hill, President of the American Exchange Bank. Mr. Hill takes a just pride in the growth of his bank. Since 1888 the capital has been increased from $200,000 to $500,000; surplus and profits from $70,000 to $350,400; individual deposits from $211,700 to $2,295,400.

He was born at Richmond, Va., May 27, 1855, and commenced his banking career as messenger in the Planters' National Bank of that city; was promoted to receiving teller at the age of eighteen. Later resigned to accept cashiership of the City Bank of Richmond.

WALKER HILL,
Member Executive Council.

In 1887 he became Cashier of the American Exchange Bank, St. Louis, and was elected President in 1884. He has always been one of the enthusiastic members of the American Bankers' Association.

JOHN N. SIMPSON,
Member Executive Council.

There are few more enthusiastic workers in behalf of the association than Mr. John N. Simpson, of Dallas, Tex.

He was born in Fentress county, Tenn., March, 1845. Received a country school education, volunteered in the Confederate Army in 1861, served in Wheeler's Calvary Corps until the close of the war. Was paroled at Washington, May 9, 1865; went to Texas in 1866 and after filling various clerical positions, went into the live stock business in 1872, which he continued with success, and in 1883, with W. E. Hughes, bought out the Exchange Bank, of Dallas, which was being operated under a State charter. Took the active management as Cashier, served as Vice-President and President; in 1887 it was changed into the present National Exchange Bank of Dallas, with a capital stock of $300,000. Mr. Simpson served as President continuously until February, 1897, when he declined the presidency on account of his health, still retaining a directorship.

Judge T. J. Latham, Cashier Memphis National Bank, is a native of Tennessee. In 1855, after leaving college, he began the study of law and was admitted to the bar in 1857. He went to Memphis in 1866, and in January, 1868, was appointed by Chief Justice Chase, Register in Bankruptcy for West Tennessee. His efficient administration secured for him the confidence and esteem of the bar and of all who had business before him.

In 1870 he was the choice of the conservative sentiment for Congress, the press of both the city and country favoring his nomination. When the convention convened and his nomination and election were almost certain, he refused the use of his name before the convention. He often congratulates himself on what he terms his narrow escape from political entanglements.

When Memphis, in 1878, became overwhelmed with debt and mandamuses and the appointment of a Receiver became a necessity, U. S. Circuit Court Judge Baxter selected Judge Latham for the position. Here, as in every other position he has been called to fill, he acquitted himself with marked credit.

In 1880 he was elected President of the Memphis Water Co., which position he fills at present.

In January, 1894, he was elected Cashier of the Memphis National Bank, one of the largest banks of the city and of the South. The same energy and efficiency have characterized his services with the bank. He at once became an active member of the Ameri-

T. J. LATHAM,
Member Executive Council.

can Bankers' Association and at the St. Louis convention, although only three years a member, was paid the high compliment of being selected as a member of the executive council.

The foregoing brief synopsis of Judge Latham's career is taken from "Keating's History of Memphis."

Fortunately the members of the association who attend the convention this year will have an opportunity of gaining a better acquaintance with the subject of this sketch than may be obtained from this modest biography.

Geo. H. Russel, President of the State Savings Bank, was born in Detroit in 1847, and has lived in that city ever since. He is interested in the manufacture of iron, car-wheels and in other manufacturing enterprises.

For a number of years Mr. Russel was a director of the Merchants and Manufacturers' National Bank, of Detroit, and afterwards a director of the State Savings Bank. In 1889 in the reorganization of the State Savings Bank he took the presidency and active management.

Associated with Mr. Russel in the board of the State Savings Bank are the following

GEO. H. RUSSEL,
Member Executive Council.

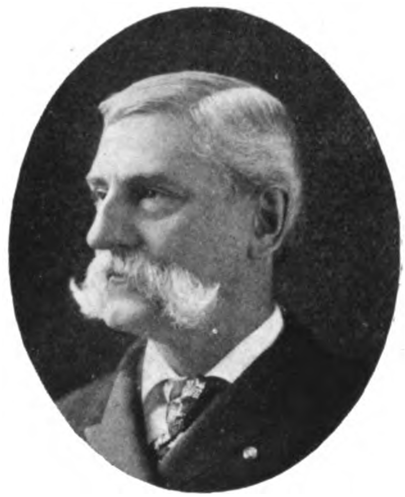
well-known names: R. A. Alger, W. C. Colburn, C. L. Freer, H. B. Ledyard, W. C. McMillan, R. W. Gillett, H. M. Campbell, W. H. Elliott, F. J. Hecker, Hugh McMillan, R. S. Mason, Henry Russel, M. S. Smith, and Chas. Stinchfield, the leading business men of Detroit, the heads of large corporations and other financial institutions. Under the management of this board of directors the deposits have increased from $1,500,000, in 1889, to something more than $5,000,000, in 1897.

The institution has a large and well appointed banking office, centrally located within one square from the Russell House, the headquarters of the convention.

An able banker and a popular gentleman is Mr. Wm. H. Thomson, a member of the executive council and Cashier of the Boatmen's Bank, St. Louis, Mo. He was born April 16, 1837, at his father's farm, "Hawthorne," in Frederick county, Md., where he passed his boyhood days, attending the public school, and later a boarding-school in Pennsylvania. At the age of sixteen he engaged in civil engineering for a short time, and when about seventeen entered on a business career with a commission house in Baltimore, where he remained for two years, going to St. Louis in 1857, where, on his twentieth birthday he entered the employ of the bank with which he has been connected for more than forty continuous years.

His clerkship commenced April 16, 1857; elected Assistant Cashier October 26, 1869, and Cashier May 17, 1870, which position he now holds. He has served the bank for twenty-seven years as Cashier, and upwards of forty years in all.

The Boatmen's Savings Institution was organized in 1847, on the Savings bank plan, by a few prominent and philanthropic citizens of the then young St. Louis, with a view to the fostering of thrift on the part of steamboat men, which at that time largely constituted the laboring element in St. Louis. Success attended the enterprise, and in 1856 it took its second charter under the name of the "Boatmen's Saving Bank," with a capital



WM. H. THOMSON,
Member Executive Council.

of $400,000, and thus continued until 1873, when it commenced operations, under the present charter, as "Boatmen's Bank," with a capital of $2,000,000, being the result of accumulations after paying stockholders upwards of $1,100,000. Since then it has regularly paid semi-annual dividends of three and a half per cent. ($140,000 yearly) besides accumulating a surplus which amounts now to upwards of $700,000.

William Caryl Cornwell was born in Lyons, N. Y., August 19, 1851, and is the son of Francis E. Cornwell, a prominent lawyer of Buffalo. Mr. Cornwell on his mother's side is descended from the Livingston family of Livingston, N. Y. The first American ancestor, Robert Livingston, came to America from Holland in 1674. His great grandfather, Dr. Elias Willard, was a soldier in the Revolutionary army and fought at Lexington, serving as surgeon throughout the war.

The early education of William Caryl was obtained at the public schools of Buffalo, and at the age of seventeen he entered the banking house of H. N. Smith as a clerk. He afterwards served in the bank of Attica and the Third National Bank of Buffalo.

Upon the organization of the Bank of Buffalo, in 1873, young Cornwell was made bookkeeper and correspondent. In 1877 he was elected Cashier, and held the position for fifteen years. He in his official position saw the business of the bank increase over six

WM. C. CORNWELL,
Member Executive Council.

hundred per cent. in a single decade, and from a small concern with three clerks it employed a staff of thirty-five, and its deposits reached four million dollars, and its surplus earnings exceeded its capital. This growth was largely due to the improved methods of banking instituted by Mr. Cornwell.

In 1889 Mr. Cornwell was mainly instrumental in organizing the Buffalo Clearing-House and in arranging for clearings between the banks of the city on a cash basis, which raised the standard of the entire financial system of the city.

In 1891 as chairman of the clearing-house committee, he was prominent in perfecting arrangements for the issuance of clearing-house certificates by the Buffalo banks in anticipation of the disaster which came in 1893. The possibility of the prompt use of these certificates, thus wisely provided for in 1891, saved Buffalo from further serious disaster immediately after the failure of one bank in June, 1893, when they were first resorted to.

In November, 1892, Mr. Cornwell withdrew from his active connection with the Bank of Buffalo, still, however, retaining his directorship. He then organized The City Bank and was made President of that institution. The City Bank opened for business in the spring of 1893, and it steadily grew through the panic period, accumulating over one million dollars deposits by fall. The bank did effective work in circulating petitions for the repeal of of the Sherman silver purchase law.

Mr. Cornwell has contributed several important papers to the literature of banking. His pamphlet on "Free Coinage" had a wide circulation, and his address before the American Bankers' Association in New Orleans in 1891, on "Canadian Bank Currency," became an authority on the subject both in the United States and Canada. His papers on "Currency Reform and Bank Circulation" and "The Gold Standard" are also recogniz d as thoughtful productions. "The Currency and Banking Law of Canada" is a digest of the Canadian law by Mr. Cornwell recently published by Putnam's Sons, and of especial interest in view of the necessity of changes in our own banking laws.

In December, 1894, Mr. Cornwell, with a few of the most prominent bankers and financiers of the United States, was invited to appear before the committee of the House on Banking and Currency which had taken up the work of investigating the subject of the currency in view of the recommendations of President Cleveland and Secretary Carlisle, and pending action upon the Carlisle Bill. Mr. Cornwell's testimony was clear and forcible, and received wide publicity. Members of the committee expressed appreciation of its high character. Mr. Cornwell's latest work, "Greenbacks," an illustrated campaign document, is doing great work in behalf of the gold standard.

Mr. Cornwell was one of the founders of the New York State Bankers' Association. He was elected its first President at Saratoga in August, 1894. During his term the membership increased from 112 to over 400, making this the largest of all the State associations. The zeal and devotion of the President gave an impetus to the new association, and much important work was done. The retiring President was made honorary member of the council of administration for the second year.

Mr. Cornwell was for several years Vice-President of the Bank of Niagara, Niagara Falls, N. Y., and was Chairman of the Buffalo Clearing-House committee for the first three years of the existence of that organization. In 1891 he was elected Vice-President of the

American Bankers' Association for the State of New York, and in 1894 he was chosen member of the executive council of that association for three years.

GEORGE M. REYNOLDS,
Member Executive Council.

Iowa is represented in the executive council by a progressive Western banker, Mr. George M. Reynolds, President of the Des Moines National Bank. He is a native of that State, and has been engaged in banking since 1879.

His association with the Des Moines National Bank dates from 1833, when he was chosen Cashier of that institution. He displayed great ability in this position and was promoted to the presidency of the bank in 1895. Under his direction the bank has been wisely managed, and is now one of the largest National banks in Iowa.

Mr. Reynolds has taken a lively interest in the work of the American Bankers' Association, and was elected to membership in the executive council at the convention held in St. Louis in 1896.

He has been very favorably mentioned for appointment as Comptroller of the Currency, and it is believed that, owing to his experience and high character, his selection for this important office would be well received by the bankers of the country.

There are few abler financiers or more popular gentlemen in Philadelphia than Mr. Richard H. Rushton, Cashier of the Fourth Street National Bank of that city, and the representative of Pennsylvania in the executive council.

Mr. Rushton was born at Dalton, Ga., June 8, 1851; was educated at the academy of that place, and went to Philadelphia in 1869, continuing his studies for a year; entered the Commercial National Bank in 1870, and was rapidly promoted, becoming Assistant Cashier in 1878; resigned in 1885 to accept the position of Cashier in the Tenth National Bank, and after serving in this capacity for six months he was offered the cashiership of the Fourth Street National Bank, which he accepted.

This bank has had a most prosperous career, due in a large degree to Mr. Rushton's prominent place in its management. In six years its total resources increased $10,000,000.

At the preliminary convention of the Pennsylvania Bankers' Association, held in Philadelphia in December, 1895, Mr. Rushton was honored by being chosen as the first president of that association.

R. H. RUSHTON,
Member Executive Council.

Col. Myron T. Herrick, President of the Society for Savings, Cleveland, was born at Huntington, Ohio, Oct. 9, 1855; was educated in the public schools and at Oberlin University and the Ohio Wesleyan University.

He was admitted to the bar in 1879, and practiced law at Cleveland until 1886, when he became Treasurer of the Society for Savings. In 1894 he was elected President of that institution.

Col. Herrick is a Republican and has been prominent in the politics of his State; was a delegate to the national conventions of 1888 and 1896, and an elector-at-large for the State in 1892. He also served on the Staff of Gov. (now President) McKinley.

He has administered important trusts as receiver of railway and industrial corporations, and is at present a director in two railway companies.

The Society for Savings is somewhat unique

MYRON T. HERRICK,
Member Executive Council,

among western financial institutions, being organized on the lines of the provident Savings banks of the East. Its deposits are about $25,000,000, which fact is the best possible evidence of the great confidence with which the bank and its management are regarded in Cleveland.

W. J. COCKER,
Member Executive Council.

An Englishman by birth, but an American in education and sentiment, Mr. W. J. Cocker, President of the Commercial Savings Bank, Adrian, Mich., is a progressive and active representative of the bankers of his State. Has served as a Regent of the State University of Michigan, and as chairman of the finance committee introduced many valuable reforms. He is also the author of standard text-books on civil government and other subjects.

JAMES H. WILLOCK,
Member Executive Council.

James Hays Willock was born in Allegheny, Pa., September 11, 1853. Graduated with degree of civil engineer from the Pennsylvania Military College, at Chester, Pa., June, 1870. Entered the Second National Bank of Pittsburg, May, 1871. Elected Cashier at the age of 19, January, 1873, the year of the Jay Cooke panic. Elected President October, 1888, shortly after the American Bankers' Association held its convention in Pittsburg, since which date he has attended all but three of the annual conventions.

Elected member of the executive council for three years at Saratoga, 1890, and reelected at Atlanta in 1895 for three years.

Offered the declaration unanimously adopted by the executive council at the meeting held in the New York Chamber of Commerce, March 11, 1895, declaring unequivocally in favor of the maintenance of the gold standard.

He was largely instrumental in the formation of the Pennsylvania Bankers' Association, and was one of the committee on organization at Philadelphia in December, 1895. Was the author of the resolution on currency reform adopted at the last convention of the Pennsylvania Bankers' Association.

Mr. Willock is a member of the Presbyterian church; a member of the Duquesne

Club; an officer of the Americus Republican Club; a Knight Templar, a 32nd degree mason, a noble of the Mystic Shrine, and a member of the committee on finance and banking of the Chamber of Commerce of Pittsburg.

Although by profession a banker, he has large interests elsewhere, being an officer or director in other companies or corporations, embracing the manufacture of high grade steel, armor-piercing projectiles, brass, paper, the development of bituminous coal and petroleum.

He is a local director of the Guarantee Company of North America, and is also a director in a number of important industrial companies.

DOUGLAS H. THOMAS,
Member Executive Council.

Douglas H. Thomas was born in Baltimore in 1847. Entered the Farmers and Merchants' National Bank in 1863, of which his father, the late John Hanson Thomas, was the President for forty years. Owing to numerous vacancies Mr. Thomas' promotion was rapid, and he successively filled the various positions in that bank, so that at the age of eighteen years he became receiving teller. He resigned in 1870, and shortly afterwards engaged in the bill and stock brokerage business.

In 1878 he became Cashier of the National Marine Bank, of Baltimore, and in 1880 was elected Cashier of the Merchants' National Bank, the largest bank in that city, and of which the late Johns Hopkins had formerly been the President for twenty years. On the death of President A. H. Stump, in 1886, Mr. Thomas was elected President, which position he now fills.

Mr. Thomas was the originator of the protective feature of the American Bankers' Association, having submitted a paper on that subject at the meeting held at Niagara Falls in 1881, in which he stated:

"I suggest that a committee be appointed to prepare suitable by-laws for the bankers' protective union, which shall form a branch of the American Bankers' Association. The chief feature shall be the prosecution of all offenders, irrespective of their social or political standing, and never to compromise or compound with them."

Mr. Lyman J. Gage being called upon to explain the purpose and nature of the proposed amendment suggested by Mr. Thomas' paper, strongly endorsed the proposition. The protective work is now one of the attractive features of the American Bankers' Association.

Mr. Thomas served as vice-president for Maryland for many years. In 1894, at the convention held at Baltimore, he was elected first vice-president of the association. At the meeting held at Atlanta, according to the usual custom, Mr. Thomas was selected for the presidency of the association, but positively declined to allow his name to go before the convention for that position, so he became a member of the executive council.

Mr. Thomas has been very energetic in the prosecution of criminals, and at one time had eight in the Maryland penitentiary for crimes committed against the Merchants' National Bank. In 1880 he succeeded in convicting George Bell, Henry Cleary and Al. Wilson. In 1881 he was successful in causing the conviction, within fourteen days after the commission of the crime, of Gilbert Flanagan and Cregan, alias Russo. In 1886, Burke, Hand, alias McCloskey, the latter now serving sentence for raising a check on the bank of Nevada from $12 to $22,000, who attempted the drop game in the Merchants' National Bank. They were caught by Mr. Thomas personally and handed over to the police authorities, and within one week they were indicted, arraigned, tried, convicted and began their sentence.

H. W. Yates was born in St. Mary's county, Md., January 1, 1837. He became a resident of Omaha and Nebraska in 1861, seven years after the purchase of the Indian title, and passage of the Kansas-Nebraska Act, organizing the Territory of Nebraska. At that period, Omaha had about 1,500 inhabitants. In 1890 the census showed over 140,000.

He was connected with the First National Bank of Omaha from its organization in 1863. When the business of the bank was merged with that of Kountze Bros., in 1865, he became Assistant Cashier and subsequently Cashier, which last position he resigned in 1882, when he joined in organizing the Nebraska National Bank, of which bank he has been President for many years.

Mr. Yates was one of the original promoters and organizers of the American Bankers' Association, and for many years a Vice-President from his State. He was elected at

HENRY W. YATES,
Member Executive Council.

Baltimore a member of the executive council, his term of office closing this year.

He was one of the organizers of the Nebraska Bankers' Association and Chairman of its executive council for a number of years.

A. C. ANDERSON,
Member Executive Council.

Arthur C. Anderson was born at Bethel, Windsor county, Vermont, December 2, 1859. At twelve years of age he moved with his parents to Springfield, Mass., and there received a thorough English education in the grammar and high schools and at the Springfield Collegiate Institute. After leaving school he entered the banking house of F. W. Anderson & Co. in a subordinate position and worked up, thus gaining that practical experience at every desk in the bank, which has in later years proved most valuable.

In 1883 Mr. Anderson removed to St. Paul, Minn., and was active in the establishment of the St. Paul National Bank, being its first Assistant Cashier, which place he held for five years until promoted to the cashiership, which place he now holds.

During his career as a banker Mr. Anderson has been unusually fortunate in detecting frauds of a class of professional criminals who have always considered the banking institutions as their natural prey. His work in this direction has given him something of a national reputation. Like many busy bankers, he has found but little time for literary pursuits, but what he has written has always found ready publication in the leading banking journals, and has been widely copied.

Mr. Anderson has been actively interested in the work of the American Bankers' Association for years past, and was one of the earnest advocates of the adoption by it of the protective features which have been so eminently successful. In 1894 he was elected vice-president of the association for the State of Minnesota. In 1896 he received the thanks of the association for his services in aiding in the capture of the most notorious and successful gang of forgers that have ever operated among the banks of the country, and two of whom were sentenced to life imprisonment for one of their crimes. In recognition of these services and the deep interest he has always taken in the association, he was in 1896 elected a member of the executive council of the American Bankers' Association for a term of three years.

Charles Parsons was born at Homer, Cortland county, N. Y., January 24, 1824. After receiving an academic education he was for some years employed in his father's store in Perry, N. Y.

At the age of twenty-two he went to Buffalo and was employed in the Bank of Attica.

In 1851 he moved West and was for many years a successful banker at Keokuk, Iowa.

When the war broke out he was placed in charge of the United States Army transportation at St. Louis, with the rank of captain and assistant-quartermaster. Mr. Parsons continued in the service of the Government until July, 1864, when he resigned to accept the cashiership of the State Savings Association, now the State Bank of St. Louis. In recognition of his efficient services in the army he received the brevet of major and lieutenant colonel.

In 1870 he was elected President of the bank and has continued to occupy that position since then.

In 1873 he was chosen President of the St. Louis Clearing-House Association, and was continuously re-elected until 1895, a period of twenty-two years.

His connection with the American Bankers' Association began in 1877 when he was

CHARLES PARSONS,
Former President.

elected a member of the executive council, and he served in that body until 1893 with the exception of the year 1884.

In 1887 he was elected first vice-president, and in 1888 he was chosen president and re-elected in 1889.

In 1893 he was chosen to preside at the World's Congress of Bankers and Financiers held at Chicago in connection with the World's Fair.

M. M. White first engaged in the banking business at Cincinnati in 1862, the firm being Henson, White & Co. Ten years later the business was merged into that of the Fourth National Bank, of which Mr. White became Cashier. He continued in this capacity from 1873 until 1875, when he was elected President—an office which he still retains.

He has been an energetic member of the American Bankers' Association for many years, attending the conventions wherever held; has served on the executive council, and was elected president of the association at the convention held in Chicago in 1893.

Mr. White is of southern parentage and though in early life possessed of a plantation and slaves, he sold the former and freed the latter, and early in life embarked in business in Cincinnati where he has been successful.

The Fourth National Bank has $500,000 capital and surplus and profits amounting to

M. M. WHITE,
Former President.

nearly half a million more. Besides being President of this bank Mr. White is also President of the Cincinnati Clearing-House Association.

EUGENE H. PULLEN,
Former President.

A continuous service of more than thirty-five years with one bank is the record made by Mr. Eugene H. Pullen, former president of the association and Vice-President of the National Bank of the Republic, New York.

He entered this bank November 5, 1861: was elected Assistant Cashier in 1874, Cashier in 1879, and Vice-President in 1892.

Mr. Pullen served on the executive council for three years, and at the convention held at Atlanta in October, 1895, he was unanimously elected president of the association.

He is a banker of the most practical sort, as shown by his uninterruptedly successful career; he is also a graceful writer and an eloquent and forceful speaker.

WILLIAM H. RHAWN,
Former President.

As President of the National Bank of the Republic, Philadelphia, for more than thirty years, Mr. Wm. H. Rhawn, ex-President of the American Bankers' Association, is entitled to rank as one of the representative financiers of that conservative city.

Mr. Rhawn was born in Philadelphia, September 12, 1832. After completing his schooling, he entered a country store. In 1857 he secured a position as clerk in the Philadelphia Bank. He organized the Second National Bank, at Frankford, a Philadelphia suburb, and became its Cashier. Later he assisted in organizing the Central National Bank, and was chosen its first Cashier. In August, 1866, he became President of the National Bank of the Republic, which position he has held continuously since that time. He has been Secretary of the Clearing-House Association for many years.

Mr. Rhawn is a member of a number of learned societies, and has been especially identified with the promotion of economic and financial education amongst the schools and universities of the country.

He has been an active member of the American Bankers' Association from the time of its organization, has served as chairman of the executive council, and was elected president of the association at the convention held in San Francisco in 1892.

Mr. Rhawn took a leading part in the formation of the Pennsylvania Bankers' Association in 1895, having been chairman of the committee on organization.

J. B. Cobbs, vice-president for Alabama, was born in Choctaw county, Ala., March 17, 1856, and received his education at Livingston, where his parents removed while he was quite young. His education was completed at "Eastman's National Business College," Poughkeepsie, N. Y., in 1874.

In March, 1883, he accepted the position of individual bookkeeper with the National Bank of Birmingham. Upon the organization of the First National Bank, he was made general bookkeeper. His strict business habits and fidelity soon won recognition, and he was advanced to the position of receiving teller.

J. B. COBBS,
Vice-President for Alabama.

When the Central Bank was organized in 1885, Mr. Cobbs accepted the cashiership, and in 1886, when the bank was merged into a national association, with its present name —The Berney National Bank, he was retained in that position, which he filled with signal ability until January, 1894, when he became President of this strong and prosperous institution. Mr. Cobbs enjoys not only the confidence and respect of the directors, stockholders and customers of the bank, but the esteem of the entire business community as well. He has been honored with many positions of trust and has acquitted himself with credit to himself, his city and State.

During the panic of 1893, Mr. Cobbs was President of the Birmingham Clearing-House Association. It was this association that issued and gave local circulation to the clearing-house certificates, which relieved the money famine from which Birmingham then suffered and saved many merchants and manufacturing establishments from closing.

Mr. Cobbs is closely identified with many important industrial enterprises in and around Birmingham. His wise counsel and business sagacity being highly esteemed. He was one of the organizers of the Alabama Bankers' Association, and has served on nearly every important committee. At the last meeting, held in Birmingham, Mr. Cobbs was elected president of this association.

He is a gentleman with whom it is a pleasure to associate, is courteous and affable, and energetic in every good work.

M. B. HAZELTINE,

Vice-President for Arizona.

M. B. Hazeltine, Cashier of the Bank of Arizona, Prescott, the oldest and one of the largest banks in Arizona, elected Vice-President American Bankers' Association in St. Louis, 1896, was born near Cincinnati, Ohio, in 1865.

Began at the bottom of the banking ladder in 1890 and by hard work and careful attention to detail has risen steadily, till in December, 1896, was made Cashier and manager, succeeding his brother, W. E. Hazeltine.

Though one of the younger members of the banking fraternity, he is an enthusiastic and earnest one, and is heartily in sympathy with the object of the association, and recognizing that it is a good thing is ever ready to "push it along."

Burton G. Bryan was born in Watertown, Conn., September 27, 1846. His earlier years were spent on a farm, his education was confined to that of a common school and later

B. G. BRYAN,

Vice-President for Connecticut.

to the Stratton Business College of Poughkeepsie, N. Y.

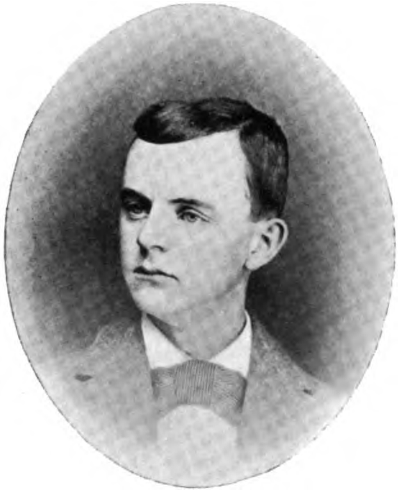
When twenty years of age he entered a real estate, insurance and investment office in Waterbury, Conn., and continued in this and similar business most of the time until 1880, with the exception of about two years (1870–71) when he was Cashier of the Wilmington, N. C. branch of the Freedman's Savings and Trust Co., which he relinquished for reasons affecting his health.

In 1880 he assisted at the organization of the Manufacturers National Bank of Waterbury, Conn., and was teller of that institution until 1887, when he organized the Fourth National Bank and was elected Cashier, which position he still retains.

This bank has had a very successful career and will complete the tenth year of its existence, August 8, 1897. It has paid in that time $51,000 in dividends to stockholders, and has a surplus and undivided profits of about $54,000. The bank will soon move into larger and more elegant quarters.

Mr. Bryan was elected vice-president of the American Bankers' Association from Conn. at the convention held in St. Louis in 1896, and is a firm believer in the value of membership in the association, regarding the protective feature alone as being of immense value, of which every well managed bank should avail itself.

Mr. Bryan has twice served as treasurer of his town and also as clerk of the city council.



DON LACY,
Vice-President for the Indian Territory.

The Vice-President for the Indian Territory, Mr. Don Lacy, Cashier of the City National Bank, Ardmore, I. T., is a native of Texas and is twenty-six years of age. He has been connected with the above bank since its organization. He takes an active interest in the work of the American Bankers' Association.

C. C. SANDERS,
Vice-President for Georgia.

Col. C. C. Sanders, vice-president for Georgia, and President of the State Banking Company, of Gainesville, was educated for the profession of arms at the Georgia Military Institute, from which he graduated in June, 1861. He served through the Civil War with the army of Virginia, with the rank of colonel, and took part in the severest battles.

When the war closed he turned his attention to developing the "New South." He is an ardent lover of the American Union.

Col. Sanders was an alternate commissioner from his State to the World's Columbian Exposition held at Chicago in 1893.

He has been prominent in the work of the Georgia Bankers' Association since its organization, serving repeatedly on its executive council and legislative comittees. He is also a staunch supporter of the American Bankers' Association, and is convinced that a thorough organization of the bankers will not only result in advancing their own interests but will promote the general welfare.

FRED HEINZ.
Vice-President for Iowa.

Fred Heinz was born at St. Louis, Mo., forty-five years ago, and has been a resident of Davenport, Iowa, for forty-two years. Commencing with assets of less than $20 cash when of age, he has been continually and actively engaged in the law practice ever since. As a part of his business (which has been successfully conducted) he loans money on real estate securities for his clients. He has been City and County Attorney.

When the Farmers and Mechanics' Savings Bank was organized in 1892, he was unanimously elected its President, a position he still occupies. His firm (Heinz & Fisher) are also attorneys for the bank. Ever since becoming identified with the bank, he has taken an active part in every Iowa State Bankers' convention, acting once as district vice-president and also contributing a valuble paper on the "Iowa Promissory Note," which was published in the MAGAZINE.

As the present vice-president of the American Bankers' Association for Iowa he has been active in largely increasing its membership among the Iowa banks.

He is unreservedly opposed to the free and unlimited coinage of silver and all other forms of repudiation of honest debts.

P. I. Bonebrake,
Vice-President for Kansas.

P. I. Bonebrake was born September 25, 1836, at Eaton, Ohio. The most of his early boyhood was spent on a farm. When about fifteen years of age his father engaged in mercantile pursuits, and the subject of this sketch, when not at school, worked in the store. His education was obtained in the common schools, except a period in Cornell College, Mount Vernon, Iowa.

At the age of twenty-two he married Martha A. Lowe. In June, 1859, he emigrated to the Territory of Kansas, of which State he has since been a resident. In 1866 he was elected county auditor of Shawnee county (in which Topeka, the capital, is located). He held that office five terms—ten years. While county clerk he was elected a member of the Legislature, receiving every vote cast in his district. He drafted the laws of the State on assessment and taxation. While a member of the Legislature he was elected Auditor of the State, which position he held three terms—six years. He was and is an active Republican, and was for four years Chairman of the Republican State Central Committee.

On retiring from office he organized the Central Bank of Kansas, and later organized the Central National Bank, of Topeka, of which he has been President for twelve years. He is also President of the Topeka Clearing-House Association.

He has two sons, one of them Assistant Cashier of the Central National Bank and secretary of the Kansas State Bankers' Association; the other is treasurer of a coal mining company. Mr. Bonebrake has been a constant reader of the Bankers' Magazine for many years.

The Vice-President for Louisiana, Mr. Wm. Garig, is a native of Baton Rouge, and President of the First National Bank of that city. The bank was established January 26, 1882, and Mr. Garig has been its President from the start. It is an important institution, having $100,000 capital and nearly $60,000 surplus and profits.

In addition to being President of the First

Wm. Garig,
Vice-President for Louisiana.

National Bank, Mr. Garig has other extensive interests in various commercial and manufacturing enterprises at Baton Rouge.

A banker by heredity, it is not particularly surprising that the subject of this sketch should have become President of a National bank while still considerably under the age of forty, but it is an exceedingly creditable fact nevertheless.

Mr. Lawrence B. Kemp, vice-president for Maryland, was born in Baltimore; passed his boyhood at Frederick with his grandfather, the late Major Lawrence J. Brengle, President of the First National Bank of Frederick. Returning to Baltimore he obtained a situation with a coffee-importing firm, where he remained for eight years. Later on, he accepted a position with the Merchants' National Bank, of Baltimore, where he continued for nearly five years, until he was offered by the clearing-house bank Presidents their unanimous indorsement as bank examiner for Maryland and the District of Columbia, to which position he was appointed by President Harrison. He remained in this position to the close of the administration of Hon. A. B. Hepburn, and for nearly two years under the present Comptroller, Hon. J. H. Eckels, resigning in January, 1895, to become Cashier of the Commercial and Farmers' National Bank. He became President the following year.

The Commercial and Farmers' National

LAWRENCE B. KEMP,
Vice-President for Maryland.

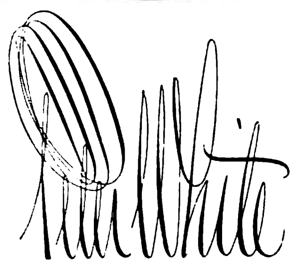
Bank is the second oldest bank in the city, having been chartered in 1810. It has a capital of $500,000. and a surplus and undivided profits of about $150,000. The bank is doing a prosperous business, and even during the dull times of the past year or so its statements have shown a steady increase.

Mr. Kemp is the youngest bank President in Baltimore. He was one of the organizers of the Maryland Bankers' Association, and has been its secretary from the start.

His rapid promotion in banking is due to ability aided by a remarkably courteous disposition.

Peter White was born in the early thirties at Rome, N. Y., lived a few years at Green Bay, Wisconsin, and migrated to Michigan in 1845, living in Detroit and Mackinac. Went to Marquette in the Upper Peninsula of Michigan in the early spring of 1849, and has resided there ever since. He has held many important State and national as well as city and county offices.

He was a private banker at Marquette from 1852 to 1863, when he organized the First National Bank, of Marquette, Mich., of which he has been either Cashier or President continuously to this time. The most remarkable thing about him is his signature, a *facsimile* of which accompanies his portrait.



Vice-President for Michigan.

Mr. White has taken an active and warm interest in the American Bankers' Association, and as Vice-President for Michigan has exerted a wide influence in increasing the membership of the association.

Breckinridge Jones was born October 2, 1856, near Danville, Kentucky. His father was a merchant and extensive farmer and trader in Central Kentucky until the breaking out of the Civil War. At the close of the war he took his family to New York city, where for two years he was a banker and broker in Wall street. While there his home was on Staten Island, from which his son Breckinridge attended school in New York city.

In 1867 the father returned with his family to Kentucky. Breckinridge Jones entered the Kentucky University at Lexington, in September, 1871, and the next year, his father having bought a home in Danville, Kentucky, the son entered Centre College, from which he was graduated in 1875. During the following season he taught in a graded school in Kentucky, and two years after he was a law student in the office of the distinguished Colonel Thomas Peyton Hill, at Stanford, Kentucky, being admitted to the bar in 1877.

In October, 1878, he went to St. Louis, entering the law office of Messrs. Lee & Adams. That winter he attended the St. Louis Law School and the following summer attended the summer law school at the University of Virginia.

In November, 1883, he was elected from St. Louis a member of the Missouri House of Representatives. On October 21, 1885, he married Miss Frances Miller Reid, of Stanford, Kentucky, and five children bless the union. Mr. Jones continued the successful practice of the law until the fall of 1888, when he undertook the re-organization of the

BRECKINRIDGE JONES,
Vice-President for Missouri.

Decatur Land Improvement and Furnace Co., at Decatur, Alabama. By reason of the yellow fever epidemic there that year this work kept him from St. Louis until 1890, when he returned and became the Secretary of the Mississippi Valley Trust Company (capital and surplus now $3,000,000) at its organization in October of that year, acting also as its counsel. In February, 1894, he was elected Second Vice-President and counsel of the Company. In 1896, he was elected First Vice-President and counsel, which positions he now holds.

Soon after his connection with the company he took an active interest in the formation of the Missouri State Bankers' Association and since its organization has been a member of its executive committee. In 1895 he was one of its vice-presidents and in 1896 its president.

Mr. Jones is now vice-president for Missouri of the American Bankers' Association. He took a prominent part in the organization of the Trust Company Section of the American Bankers' Association, and is now the chairman of the executive ocmmittee of that section.

F. H. DAVIS,
Vice-President for Nebraska.

Fred'k H. Davis, Cashier of the First National Bank of Omaha, Nebraska, and Vice-President of the Union Stock Yards National Bank of South Omaha, was born in Fairfield, Iowa, June 10, 1853. He has resided in Omaha from early childhood, his parents having been among the founders of Nebraska's metropolis. He has been connected with the First National Bank of Omaha since 1872, and has been its Cashier since 1882. He is prominently identified with financial affairs in the West, is a successful bank officer, has a wide acquaintance in the Trans-Mississippi country and believes in its future greatness. Has always taken an active interest in the American Bankers' Association and also in the bankers' association of his own State. He believes the American Bankers' Association has accomplished much for the advancement and fostering of the banking interests of the country.

George Sumner Bond, was born at Charlestown, N. H., March 2, 1837, and with the exception of some fifteen years passed in Massachusetts New York and Vermont, has always resided in the vicinity of his birthplace.

His education was obtained wholly in the common schools, and he served an early apprenticeship to the trade of tinsmith. Possessed of liberal and progressive views and natural executive ability he early became officially identified with various departments of town business, serving long and efficiently on the board of education, public library, etc., and as an active Republican has been a leader in the councils of his party. In 1889 he served as a member of the State constitutional convention. He is at present engaged in the manufacture of musical instrument cases at Charlestown, from the nucleus of which business, threatened with extinction in other hands, he has made the largest and most successful of the kind in the world.

Mr. Bond's connection with and actual experience in banking dates from 1876 when he became a member of the board of trustees

GEORGE S. BOND,
Vice-President for New Hampshire.

and finance committee of the Connecticut River Savings Bank of Charlestown; in 1891 he was chosen a director of the Connecticut River National Bank, from which connection he has advanced to his present position as President. While conservative in expression and action, he is forceful in argument, and possesses a logical foresight and fine business acumen to which in great measure is due the present excellent standing of the institution he represents.

He has long been an ardent advocate and supporter of the valuable work of the American Bankers' Association, is fertile in suggestion and active in promoting work along its several lines.

James H. Tripp, Vice-President for New York, entered the banking business in 1862 as Cashier of the banking office of H. J. Messenger in Marathon, N. Y. In August of the same year he took charge of a bank in Canandaigua, N. Y., of which Mr. Messenger was President, and afterwards temporarily took charge of the First National Bank of Geneva until it was sold out to Mr. Chew and others.

In 1866 in company with Lyman Adams (the present Cashier of the First National Bank of Marathon), he engaged in the mercantile business in Marathon. In 1868 the firm (Tripp & Adams) commenced a private banking

JAMES H. TRIPP,
Vice President for New York.

business in connection with their mercantile business.

In the spring of 1884 the First National Bank of Marathon was organized and Mr. Tripp was elected its first President and has held the position since that time. He is also a director in the Homer National Bank, of Homer, N. Y.

As a member of the committee on banks in the Assembly of 1892 he assisted in the general revision of banking laws which was accomplished in that year.

Clarence B. Little was born in Merrimac county, N. H., November 18, 1857; educated at Pembroke Academy, Dartmouth College and Harvard Law School. He settled at Bismarck, North Dakota, in 1882, where he made large investments and entered upon the practice of law. In 1884 he was elected probate judge and was re-elected in 1886. He was elected as a State Senator in the first Legislature after the State was organized, has been re-elected from time to time since then, and has been President *pro tem.* of the State Senate.

He was elected President of the Capital National Bank in February, 1886, and held the position until the bank voluntarily liquidated, in February, 1896.

On May 7, 1895, he was elected President of the First National Bank. Upon liquidation of the Capital National the business was absorbed by the First National.

C. B. Little,
Vice-President for North Dakota.

Mr. Little is a man of pronounced convictions, and is aggressive both in politics and business.

In all matters pertaining to the State credit or tending to promote the material interests of the State, or sustain its financial standing, he is on the right side.

J. A. Stine,
Vice-President for Oklahoma.

Oklahoma is one of the newer Territories, and has made remarkable advancement in all the essentials of American civilization. The vice-president for this progressive Territory is Mr. J. A. Stine, President of the Exchange Bank, Alva. He is fifty-five years of age, a Pennsylvanian by birth; went West in 1869. He was one of the organizers of the Amarillo (Texas) National Bank, in 1892, and a director of that bank until the opening of Oklahoma Territory to settlement. He organized the Exchange Bank, of Alva, in 1895.

Robert Wardrop was born in Allegheny, Pa., July 17, 1850; entered the banking house of Ira B. McVay & Co., Pittsburg, in 1869, and was paying teller of the Tradesmens' National Bank of Pittsburg from 1874 to 1877. From

Robert Wardrop,
Vice-President for Pennsylvania.

1877 to 1891 he was treasurer of the Pennsylvania Lead Co. In the latter year Mr. Wardrop was elected Cashier and director of the Tradesmen's National Bank, holding this position at present. He has twice served as President of the Bank Clerks' Mutual Benefit Association.

Mr. Wardrop is deeply interested in the Pennsylvania Bankers' Association and by his personal efforts has added a number of members to that organization. He is a large owner of valuable coal and railway properties.

E. H. Pringle entered the Bank of Charleston National Banking Association, Charleston, S. C., as teller in 1872; elected Cashier in 1880, Vice-President in 1889, President in 1894.

The deposits of the bank when he became connected with the management in 1880 were about $500,000, and are now about $1,300,000. Dividends had been suspended for two or three years previous to his election as Cashier; from six months after that they have been continuous, starting at six per cent. per annum, and besides in 1893 the bank paid

E. H. PRINGLE,
Vice-President for South Carolina.

from the undivided profits a stock dividend of fifty per cent. In 1881 the surplus and undivided profits were $77,100 and now are $170,000. The bank now pays dividends of eight per cent. per annum.

This is the kind of a biography that makes interesting reading for bankers.

JNO. W. FAXON,
Vice-President for Tennessee.

The Vice-President for Tennessee is Jno. Wellington Faxon, Assistant Cashier of the First National Bank, Chattanooga. He is also Secretary of the Tennessee Bankers' Association, and is a strong believer in such organizations. He was born at Buffalo, N. Y., May 24, 1840; moved to Clarksville, Tenn., in 1843. Received an academic education, and became officially connected with a bank in 1857, and in 1859 was Assistant Supervisor of Banks for Tennessee. Was in the Confederate service from 1861 to 1865. Mr. Faxon has filled many responsible positions with southern banking institutions, and since 1891 has been Assistant Cashier of the First National Bank, Chattanooga. In 1894 he was President of the Chattanooga Chamber of Commerce. Though a life-long Democrat, he ably supported the candidacy of Mr. McKinley, and contributed some strong arguments in favor of sound money.

Mr. Faxon and his wife and four children are among the most prominent and highly esteemed citizens of Chattanooga.

C. C. HEMMING,
Vice-President for Texas.

Many of those who now rank among the prominent bankers of their respective States owe nothing to fortunate circumstances, but have made their way despite all hindrances. Very many of them lack a collegiate education; they have come to the front because they were industrious and had perseverance.

The vice-president for Texas, Mr. C. C. Hemming, President of the Gainesville National Bank, is a good illustration of what may be done by any one who is resolutely determined to succeed.

He was born in Florida fifty-two years ago; served four years and five months in the Confederate army; moved to Texas in 1867. He was without means and had no acquaintances, and in the above year went to work as a laborer on the docks at Galveston.

In 1870 he entered the bank of Giddings & Giddings, at Brenham, becoming Cashier, which position he held for more than eleven years. He moved to Gainesville in 1881, and has been connected with the Gainesville National Bank as Cashier or President since that time.

Mr. Hemming attends all the meetings of the Texas State Bankers' Association and served as its president during the past year. He will represent the association this year at Detroit.

C. W. WOODHOUSE,
Vice-President for Vermont.

Hon. Charles W. Woodhouse was born in Brattleboro, Vt., September 19, 1835. Commenced his business life as a clerk in the Rollstone Bank, Fitchburg, Mass., in 1852, removing to Burlington, Vt., in 1854, since which time he has been connected with the Merchants' National Bank of Burlington, rising from teller to President.

He has never been active in politics, but was State Senator in 1880 and 1881, this office coming to him without solicitation or desire on his part.

The bank has been largely under his management for more than thirty years, and its success and strength are due to his financial ability and sound judgment more than anything else.

In the list of State vice-presidents Washington is represented by Mr. J. Furth, President of the Puget Sound National Bank, of Seattle.

Mr. Furth was born in Germany, fifty-seven years ago, and came to the United States when seventeen years old.

Until 1882 he was engaged in mercantile pursuits in California, when he moved to Seattle and organized the Puget Sound National Bank, of which he was Cashier

J. FURTH,
Vice-President for Washington.

until 1893, when he became President. He is also President of the First National Bank of Snohomish, Washington.

His bank became a member of the American Bankers' Association soon after its organization. Since Mr. Furth has been vice-president of the association he has induced a number of banks in his State to join.

Joseph E. Sands, Vice-President of the American Bankers' Association for West Virginia, President of the West Virginia Bankers' Association, and Cashier of the First National Bank, of Fairmont, West Va., was born in Anne Arundel county, Maryland; is a son of Dr. Wm. Sands; was educated at St. John's College, Annapolis; engaged in the mercantile business in Baltimore. Moved from Baltimore to Fairmont, Virginia, and entered the Fairmont Bank, a State institution, organized and started mostly by Baltimore capital, with G. H. Sprigg, of Baltimore, as Cashier, and J. E. Sands, teller; was elected Cashier of the Fairmont Bank in 1862, and converted said bank into the First National Bank of Fairmont in 1865, and has held the office of Cashier ever since.

Mr. Sands has had a varied experience as Cashier of a State stock bank as well as under the general banking laws of the State of Virginia of that date. He is now also Vice-President of the First National Bank of Mannington, West Va., and a director of the

Traders' National Bank, of Clarksburgh, West Va.

He went through the suspensions of 1857 and 1873, and all the troubles since, including the troubles of 1893, and the "silver craze."

Has taken an active interest in the American Bankers' Association, and is still at work

JOSEPH E. SANDS,
Vice-President for West Virginia.

for it, as shown by his appeal made at the 1897 convention of the West Virginia Bankers' Association recently held in Parkersburgh, West Va., in behalf of the American Bankers' Association. He believes fully that it has a future full of promise for the general good of the banking interests, as well as of the country.

One of the leading bankers of Wisconsin is Mr. A. J. Frame, President of the Waukesha National Bank, and President of the Wisconsin Bankers' Association.

He was born at Waukesha, of Scotch parentage, February 19, 1844, and after receiving a common school education entered the Waukesha County Bank as an office boy in 1862. He became a capitalist from the start in the good old-fashioned way. His salary for the first eight months was $100, and he saved $60 of this amount. He soon rose by successive steps to the position of Cashier, at the age of twenty-one. At this time, 1865, the bank was succeeded by the Waukesha National Bank. Mr. Frame served as Cashier for fifteen years, when he became President.

Under his management the bank has grown steadily and is now a large and prosperous institution. The President is described as a man of great tact, of unwearied patience and a thorough student of everything allied to his business.

A. J. FRAME,
Vice-President for Wisconsin.

Mr. Frame has read important papers at the meetings of his State association, and his "Plan for Banking and Currency Reform," read before the Bankers' Club of Milwaukee in January, 1895, has been widely noticed in a favorable way.

HENRY G. HAY,
Vice President for Wyoming.

The vice-president for Wyoming, Mr. Henry G. Hay, President of the Stock Growers' National Bank, Cheyenne, was born in Indianapolis, Ind., October 31, 1847. He has been a resident of Cheyenne about thirty years, and has been associated with banking there almost continuously for this period.

In 1881 he assisted in organizing the Stock Growers' National Bank, and served as Cashier from that time until 1894, when he was elected to the office of President, which he still holds.

That the bank is strong is attested by the fact that it stood alone amongst the banks of Cheyenne in successfully resisting the 1893 panic, not having closed its doors at any time.

Mr. Hay was elected Treasurer of the State of Wyoming on the Republican ticket, in the election of 1894, for four years, for the term which expires in January, 1899. He represented the State of Wyoming as a member of the World's Columbian Commission. His banking traits are hereditary his mother having been a relative and at the time of her marriage a member of the family of James M. Ray of Indianapolis, who was for many years President of the State Bank of Indiana.

A firm believer in the purposes of the association, Mr. Hay has always done what he could to promote its interests.

SIDNEY H. HORNOR,
Former Vice-President.

Sidney H. Hornor was born in the town of Helena, Arkansas, and has always resided there. He received a common school education and commenced business as a clerk in a retail store in 1865, and with others formed the mercantile firm of H. S. Hornor & Co., in 1867. He continued in that business until 1875, when he entered into copartnership with his father in the banking business under the firm name of Jno. S. Hornor & Son, which continued until May 1, 1880, when the Bank of Helena was organized and purchased the entire assets of Jno. S. Hornor & Son. On the day of organization the subject of this sketch was elected Cashier of the Bank of Helena, which position he has held ever since. The capital of the bank is $150,000; surplus, $15,000; undivided profits, $14,000. Mr. Hornor was President of the Arkansas Bankers' Association in 1892. He is always actively interested in the business enterprises of his city.

F. E. BURGESS,
Former Vice-President.

The young New England banker whose portrait appears above has made rapid and steady advancement in his chosen career. He was born in the town of Hoosick, N. Y., December 19, 1863. After graduating from the high school in 1879, he entered the First National Bank, of North Bennington, Vt., in the same year. In the fall of 1881 he accepted a position in the general office of the Pacific Mail Steamship Co. in New York, where he remained until March, 1883, at which time he was appointed assistant bookkeeper in the Merchants' National Bank, Burlington, Vt.; was promoted to the position of teller in 1885 and continued in this capacity for four years.

In 1889, at the age of twenty-five, Mr. Burgess was called to his present responsible office, that of Cashier of the Howard National Bank, of Burlington, Vt., an institution having $300,000 capital, $100,000 surplus and profits and $600,000 deposits.

Mr. Burgess was vice-president of the American Bankers' Association 1895-96, and is a member of the executive committee of the Vermont State Bankers' Association; member executive committee and secretary of the Republican State Committee of Vermont, and a member of the executive committee of the Republican League of Vermont.

Pennsylvania has been fully represented in the association since its organization. One of the prominent members from that State is Mr. Wilson A. Shaw, a former vice-president. He was born at Glen Shaw, Allegheny county, Pa., September 18, 1846. In March,

W. A. SHAW,
Former Vice-President.

1866, he entered the service of the Merchants and Manufacturers' National Bank, of Pittsburg, and was elected Cashier in 1874. Though having some outside business interests, Mr. Shaw has personally devoted all his attention to the bank, of which he is also a director.

JOHN R. VAN WAGENEN,
Former Vice-President.

The subject of this sketch, Mr. John R. Van Wagenen, President of the First National Bank, Oxford, N. Y., was born in that place, of Revolutionary stock, November 9, 1841. Graduated in 1859, and married Miss Clara Louise Lester in 1872. Has been trustee of Oxford Academy for more than thirty years; was supervisor of the town in 1867 and county treasurer 1872-75.

The bank was founded in 1864 by the late James W. Clarke, who was President until his death in 1878. Mr. Van Wagenen, who had filled a mercantile clerkship since his graduation from the academy in 1859, having been its Assistant Cashier and Cashier from its foundation, was made President after Mr. Clarke's death, which position he continues to occupy. The capital of the bank is $100,000, and surplus and profits nearly as much more. It has paid sixty-four semi-annual dividends without interruption, more than two-thirds of which have been in excess of four per cent. and none less. A new bank building was erected in 1894. The suite of banking offices is one of the finest in the State.

J. H. LINDENBERGER,
Former Vice-President.

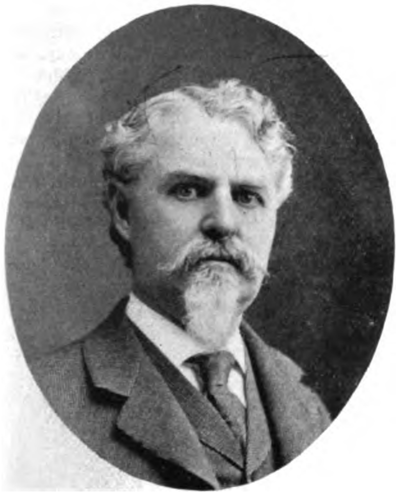
Jacob H. Lindenberger, President of the American National Bank, Louisville, Ky., was born in Baltimore, Md., November 13, 1824. Early in life he went to Louisville and accepted a clerkship in a wholesale drug house, winning promotion by industry and application, becoming partner and managing member of the firm. In 1860 he was elected director of the Merchants' Bank of Kentucky, of which he became Cashier July 1, 1861.

In 1874 the bank entered the national system under the title of the Merchants' National Bank, with $500,000 capital.

Upon the resignation of the President in 1881 Mr. Lindenberger succeeded to that position.

On June 2, 1894, consolidation was effected with three other banks under the name of the American National Bank, of which Mr. Lindenberger was elected President.

Mr. Lindenberger is a prominent banker, has contributed to the success of the American Bankers' Association, and has been identified with many of the progressive business enterprises of the city of Louisville.



JOSEPH ADDISON THATCHER,
Former Vice-President.

Mr. Thatcher was born in Shelby county, Ky., July 31, 1838. He removed to Independence, Mo., in 1850, went to the public schools and graduated at Jones Law College, St. Louis, Mo. On the discovery of gold in Colorado, in 1860, he left Missouri for that then Territory where he engaged in merchandising and mining at Central City until 1863, when he took charge of the private bank of Warren Hussey & Co., and managed it until 1870, when in connection with Mr. Joseph Standley he purchased the Hussey Bank and continued banking under the name of Thatcher & Standley until 1874, when he organized the First National Bank of Central City, of which he was President until 1883, when he moved to Denver and established the Denver National Bank, and has been its President since its organization.

Wm. A. Graham was born in Sidney, Ohio, November 14, 1852. Was educated in the public schools. Taught school three years and then entered the First National Bank, Sidney, Ohio, as a clerk, June 9, 1874, remaining with that institution until December 15, 1875, when he accepted the place of Assistant Cashier of the German-American Bank, of the same place, continuing with that bank until January 15, 1881, when he resigned to accept the

WILLIAM A. GRAHAM,
Former Vice-President.

cashiership of the Citizens' Bank, of Sidney, Ohio, which position he still occupies.

Mr. Graham has been actively identified with the Ohio Bankers' Association and has delivered several addresses before the meetings of the association. It was through his efforts that the custom of "days of grace" was abolished in Ohio, the law taking effect September 1, 1896.

Mr. Graham prepared and presented before the Ohio Bankers' Association a report on the "Failed Banks" in Ohio covering the period between 1865 and 1895, a copy of which, upon request of the Comptroller, was furnished for the use of the Comptroller of the Currency.

As Vice-President of the First National Bank, of Chicago, Mr. James B. Forgan is prominently identified with one of the very large banks of the country.

He was born in Scotland in 1852, and at the age of seventeen entered the Royal Bank of Scotland. Later he was connected with the Bank of British North America at Montreal, New York, and Halifax, and subsequently served the Bank of Nova Scotia as receiving teller and as inspector of agencies. In 1888 he became Cashier and General Manager of the North-western National Bank, Minneapolis. The ability he displayed in this important capacity attracted the attention of the management of the First National Bank,

JAMES B. FORGAN,
Former Member Executive Council.

of Chicago, and his services were sought and secured for this large and prosperous institution. Besides being Vice-President and active in the management of the First National, Mr. Forgan is also Vice-President of the Union National Bank.

F. E. MARSHALL,
Former Member Executive Council.

F. E. Marshall was born at Unionville, Putnam county, Missouri, July 15, 1860. He is a son of Hugh D. Marshall, from Virginia, and a descendant of Chief Justice Marshall. Educated at the Missouri State University at Columbia; entered the banking business as Cashier of Marshall's Bank at Unionville, Mo., now the Marshall National Bank, July, 1878, at the age of eighteen years; was Cashier of this bank until March, 1887, when he was appointed Chief of the Examiner's Division in the office of the Comptroller of the Currency, Washington, D. C.; held this position one year and was then appointed National bank examiner by the Comptroller of the Currency, W. L. Trenholm, and covered the territory of the State of Missouri and part of Kansas, and later examined banks in New Orleans, Baltimore, Philadelphia, and the State of Kentucky. He was examiner under the administration of three Comptrollers, Trenholm, Lacey and Hepburn. Mr. Marshall resigned the examinership in May, 1892, to accept the position of Vice-President of the National Bank of Commerce, Kansas City, which position he resigned in December, 1894, and moved to St. Louis and accepted the cashiership of the Continental National Bank on September 1, 1895, which position he now holds. In 1893 he was elected a member of the executive council of the American Bankers' Association.

J. C. VAN BLARCOM,
Of St. Louis.

While not at present occupying any official relations with the association, Mr. J. C. Van Blarcom, Cashier of the National Bank of Commerce, St. Louis, is one of the prominent members. When the convention met at St. Louis last year Mr. Van Blarcom and his wife gave a reception at their handsome residence to all those attending the convention —a feature that of itself will make the 1896 meeting one of pleasant memory.

The bank with which Mr. Van Blarcom is associated is a very important institution, having $3,000,000 capital and about $1,000,000 surplus and profits.

RETROSPECTIVE.

In an address delivered before the Twenty-first Annual Convention, held at Atlanta, Ga., October 15-17, 1895, Mr. James T. Howenstein, of Washington, D. C., gave an interesting account of the origin of the American Bankers' Association. At the time of the 1873 panic Mr. Howenstein was Cashier of the Valley National Bank, St. Louis, Mo., an institution organized as a "country bankers' bank," and having an extensive correspondence. The experiences growing out of this perilous period, and the interchange of ideas and suggestions brought forth at the time, finally gave rise to the project of organizing the bankers of the country into a compact national organization.

With this end in view a preliminary meeting was held at Barnum's Hotel in New York City, May 24, 1875, at which Amos P. Palmer, Cashier Albany City National Bank, Albany, N. Y., presided, and John D. Scully, Cashier First National Bank, Pittsburg, Pa., acted as Secretary. It was decided to hold a convention of the bankers of the United States at Saratoga Springs, N. Y., July 20, 1875.

In the Proceedings for 1888, Wm. B. Greene, who was then secretary, gives the following historical sketch of the first convention:

"The convention met at Saratoga, at the Town Hall, over three hundred bankers being present, representing thirty-two States and Territories. The convention was called to order by Mr. J. D. Scully, of Pittsburg, who nominated Mr. C. E. Upton, of Rochester, as temporary chairman. The temporary chairman appointed a committee of nine to provide for permanent organization of this convention. The committee reported the nominations of C. B. Hall, of the Boston National Bank, Boston, Mass., as president: James T. Howenstein, of the Valley National Bank, of St. Louis, Mo., as secretary, and A. W. Sherman, of the Dry Goods Bank, of New York city, as treasurer. * * * Mr. Van Slyke, of the First National Bank, Madison, Wis., moved that a committee of nine be appointed to take steps towards forming an American Bankers' Association. * * * This motion was referred to a committee on resolutions, consisting of eleven gentlemen, who reported in favor of a permanent organization. * * * This report was adopted and a committee of nine on permanent organization appointed of which James Buell, President of the Importers and Traders' National Bank, New York city, was chairman. * * * The committee of nine on July 22 constituted themselves an executive council and elected Mr. James Buell, president, Mr. Geo. F. Baker, treasurer, and Mr. J. D. Hayes, secretary. They issued calls in August, 1876, for a convention to be held on October 3, 4 and 5, in Philadelphia, to complete the organization of the American Bankers' Association."

Pursuant to the call above mentioned, the convention met at the Judges' Hall of the Centennial Exposition. At this meeting Chas. B. Hall, of Boston, was elected president. Geo. S Coe, of the American Exchange National Bank, New York, was elected chairman of the executive council.

A notable feature of this convention was the address of Hon. Elbridge G. Spaulding on "One Hundred Years of Progress in the Business of Banking." Mr. Spaulding is widely known as the "Father of the Greenback." He also drew the orginal National Bank Act, which he had intended to offer instead of the legal-tender Act, but was prevented by the opposition it aroused and the urgent needs of the Government. The two legal-tender Acts of which Mr. Spaulding was the author both contained provisions for exchanging the notes for gold bonds at par. Mr. Spaulding was not a believer in irredeemable paper currency, and regarded the greenbacks only as temporary expedients rendered necessary by the pressing exigencies of the war.

The places and dates of the various conventions, and the names of those who have filled the office of president, from the date of the permanent organization, are as follows:

Place and Date of Conventions and Names of Presidents.

1876, October 3-5, Philadelphia; Chas. B. Hall, Cashier Boston National Bank, Boston, Mass.
1877, September 12-14, New York; Chas. B. Hall.
1878, August 7-9, Saratoga Springs; Alexander Mitchell, President Wisconsin Fire and Marine Insurance Company Bank, Milwaukee, Wis.
1879, August 6-8, Saratoga Springs; Alexander Mitchell.
1880, August 11-13, Saratoga Springs: Alexander Mitchell.
1881, August 10-12, Niagara Falls; Geo. S. Coe, President American Exchange National Bank, New York.
1882, August 16-18, Saratoga Springs; Geo. S. Coe.
1883, October 10-11, Louisville, Ky.; Lyman J. Gage, Vice-President First National Bank, Chicago.
1884, August 13-14, Saratoga Springs; Lyman J. Gage.

1885, September 23-24, Chicago; Lyman J. Gage.
1886, August 11-12, Boston; Logan C. Murray, President United States National Bank, New York.
1887, October 12-13, Pittsburg; Logan C. Murray.
1888, October 3-4, Cincinnati; Charles Parsons, President State Bank, St. Louis, Mo.
1889, October 25-26, Kansas City, Mo.; Charles Parsons.
1890, September 3-5, Saratoga Springs; Morton McMichael, Cashier First National Bank, Philadelphia.
1891, November 11-12, New Orleans; Richard M. Nelson, President Commercial Bank, Selma, Ala.
1892, September 7-8, San Francisco; William H. Rhawn, President National Bank of the Republic, Philadelphia.
1893, October 18-19, Chicago; M. M. White, President Fourth National Bank, Cincinnati.
1894, October 10-11, Baltimore; Jno. J. P. Odell, President Union National Bank, Chicago.
1895, October 15-17, Atlanta, Ga.; Eugene H. Pullen, Vice-President National Bank of the Republic, New York.
1896, September 22-24, St. Louis, Robert J. Lowry, President Lowry Banking Co., Atlanta, Ga.
1897, August 17-19, Detroit.

State Bankers' Associations.

PLACES AND DATES OF HOLDING CONVENTIONS.

ILLINOIS STATE BANKERS' ASSOCIATION.—The next annual meeting will be held at Peoria, Wednesday and Thursday, October 20 and 21.

KENTUCKY BANKERS' ASSOCIATION.—Frankfort, Ky., October (date to be fixed).

MINNESOTA BANKERS' ASSOCIATION.—Duluth, Minn., Thursday and Friday, July 15 and 16.

NEW YORK STATE BANKERS' ASSOCIATION.—Saratoga Springs, N. Y., Thursday and Friday, July 15 and 16.

OHIO STATE BANKERS' ASSOCIATION.—This year's convention will be held at Toledo, on Wednesday and Thursday, September 15 and 16. The programme has not been officially announced.

WISCONSIN BANKERS' ASSOCIATION.—The Fifth Annual Convention was held at Waukesha, Thursday and Friday, July 8 and 9. An especially interesting programme had been prepared for this meeting. A paper on "Some Practical Aspects of Socialism" was presented by J. Laurence Laughlin, Professor of Economics in the University of Chicago.
The convention will be fully reported in the next number of the MAGAZINE.

New York State Banks.

The following table shows the condition of the 213 State banks of New York State at the close of business June 9, 1897, as per official statements made to the Superintendent of Banks.

RESOURCES.		LIABILITIES.	
Loans and discounts, less due from directors	$166,786,006	Capital	$30,730,700
Liability of directors as makers	6,473,649	Surplus fund	19,194,768
Overdrafts	189,067	Undivided profits	8,587,213
Due from trust companies, banks, bankers and brokers	29,305,132	Due depositors on demand	195,535,405
Real estate	9,428,186	Due to trust companies, banks, bankers and brokers	27,357,455
Mortgages owned	3,239,689	Due Savings banks	11,343,392
Stocks and bonds	17,197,169	Due the Treasurer of the State of New York	3,707,055
Specie	18,234,359	Amount not included under any of the above heads	639,248
U. S. legal tenders and circulating notes of National banks	23,950,199	Add for cents	344
Cash items	20,951,946		
Assets not included under any of the above heads	1,289,504		
Add for cents	669		
	$297,045,575		$297,045,575

NEW YORK STATE BANKERS' ASSOCIATION.

FOURTH ANNUAL CONVENTION TO BE HELD AT SARATOGA SPRINGS, JULY 15 AND 16, 1897.

The approaching convention of the New York State Bankers' Association, to be held at Saratoga Springs, Thursday and Friday, July 15 and 16, will be its fourth meeting, the association having been organized at Saratoga Springs, August 15 and 16, 1894. It has grown rapidly in membership, the total for the second year reaching 431, and a considerable increase is expected to be shown by this year's report.

In numbers, in enthusiasm and in the magnitude of the banking interests of this State, the New York Association holds first rank. It has not only done valuable educational work in finance and banking, but has secured the adoption of practical improvements in banking, and by concerted action and a legitimate use of its power has prevented the passage of unwise State legislation.

The New York State Bankers' Association stands for improved banking methods, and is a live and effective organization. Its membership is made up of men of influence and intelligence, whose deliberations cannot fail to exert a powerful influence for good on the mercantile and banking interests generally. It is harmonious, and a spirit of cordial co-operation has been manifest from the first.

By a wise provision of the constitution, no president or vice-president is allowed to be his own successor. The management of the association has always been democratic; at the last convention a resolution was passed providing that each group be called on to present names to be voted on for the several offices. This, and other like liberal and progressive ideas, makes the conventions entirely free and popular.

The several conventions have been addressed by some of the ablest bankers and financiers in the country, and the various papers presented have been uniformly of a high order of excellence. The convention of this year will fully maintain this standard.

From a social standpoint the conventions have been highly successful, affording an opportunity for wider and more intimate acquaintance among the bankers of the State, besides furnishing a brief season of delightful rest from business cares.

Saratoga Springs is one of the most famous summer resorts in the world, and its natural attractions when supplemented by the hospitality of the bankers there will prove irresistible, especially at this season of the year. Ample provision has been made for the entertainment of the delegates and their ladies, as may be seen from an inspection of the programme, which is printed further on.

At the first meeting of the association it was decided to divide the State into nine groups, each comprising several counties. Meetings of the various groups are held twice a year and may be held quarterly. Each group is controlled by an executive committee of five. The chairmen of these several groups, together with the officers of the general association, constitute a council of administration, which directs the affairs of the association.

The excellence of the group system is well attested by its successful working, and it has no doubt been one of the prominent factors in bringing the organization up to its present satisfactory condition. Since the group plan has been adopted in several other States, the idea is evidently one that commends itself to the judgment of those who are making a study of the best methods of promoting the success of bankers' organizations.

The following table, compiled from the report of the secretary made to the Third Annual Convention, contains some interesting facts in regard to the different groups. It shows a gratifying proportion of members to the total number of banks, which will doubtless be fully sustained when this year's figures are made public.

GROUPS.	No. of banks in group.	Total membership.	Capital.	Surplus.
Group I.	81	64	$7,683,000	$5,203,000
Group II.	40	33	3,990,000	2,612,000
Group III.	42	32	2,975,000	1,972,000
Group IV.	51	39	4,435,000	2,534,000
Group V.	78	42	4,935,000	3,093,000
Group VI.	73	51	6,863,000	4,977,000
Group VII.	52	42	4,265,000	2,278,000
Group VIII.	47	40	4,962,000	5,210,000
Group IX.	98	88	57,275,000	64,829,000
Total.	562	431	$97,383,000	$92,708,000

The complete official programme of the Fourth Annual Convention is as follows:

PROGRAMME.

FIRST DAY, THURSDAY, JULY 15.

First Session, 10 A. M.

1. Called to order.
2. Prayer: Rev. William Durant, D. D.
3. Annual message of President.
4. Appointment of committees.
5. Report of Treasurer.
6. Report of Secretary.
7. Reports of Chairmen of the several groups.
8. Presentation of resolutions and reference to committee.
9. Nomination of officers for the ensuing year.
10. Announcements by committee on arrangements.

Second Session, 2:30 P. M.

Address: "History of the Banking Systems of New York and the Banking Department."
Hon. F. D. KILBURN, Superintendent Banking Department.

Address: "A Phase of Currency Reform."
F. E. LYFORD, President First National Bank of Waverly.

Address: "Some Things the New York State Bankers' Association Might Do."
A. J. BARNES, Cashier the City Bank of Buffalo.

Discussion: "Should There be Uniform Laws Relating to the Taxation of Banks and Trust Companies?"

Opened by Hon. LESTER H. HUMPHREY, President Wyoming National Bank, Warsaw.

Adjournment, 4:30 P. M.

SOCIAL FEATURES.—Five o'clock, P. M., excursion to the Lake by electric cars; there will be steamboats at the dock for those desiring to see the beauties of Saratoga Lake. A fish dinner with the usual concomitants will be served at the Lake House and Reilly's at 6:30.

After dinner the delegates and their friends will assemble on the Piazza of the Lake House, where there will be instrumental music, impromptu speeches by the delegates and others.

SECOND DAY, FRIDAY, JULY 16.

Third Session, 9:30 A. M.

Prayer: Rev. Joseph Cary, D. D.

Address: "Is a Bankrupt Law Desirable?"
Hon. F. H. HAMLIN, President, Canandaigua National Bank.

Address: "The Cause or Causes of Low Prices at the Present Time."

JEREMIAH W. JENKS, Ph.D., Professor of Political Economy and Civil and Social Institutions, Cornell University.

Address: "A Review of the Act of 1897 in Relation to Negotiable Instruments."

JOHN J. CRAWFORD, Esq., of the New York Bar and Law Editor BANKERS' MAGAZINE.

Discussion: "What National Legislation is Required to Improve the Business of the Country?"

Opened by Hon. STEPHEN M. GRISWOLD, President Union Bank of Brooklyn.

Fourth Session, 2 P. M.

1. Reports from committees and consideration of the same.
2. Selection of place for holding annual meeting in 1898.
3. Miscellaneous business.
4. Election of officers for the ensuing year.
5. Introduction of President-elect.
6. Adjournment.

There will be opportunity for questions and answers and discussion of matters presented in addresses after each address as time will permit.

It is hoped the delegates will be prepared to take part in the discussion in five minute speeches unless a longer time is granted by unanimous consent.

Friday Evening.

Reception in the ball-room of the Grand Union Hotel to the incoming and outgoing Presidents of the association, with music and dancing. Light refreshments will be served.

OFFICERS FOR 1896-97.

(Portraits of the officers appeared in this MAGAZINE for August, 1896, page 150.)

SEYMOUR DEXTER, *President.*

The present chief executive officer of the New York State Bankers' Association, Judge Seymour Dexter, is a man of varied attainments, and has been successful in several spheres of activity. He gave two years to the service of his country during the Civil War; was admitted to the bar in 1866; was city attorney of Elmira in 1872; member of the Assembly in 1873; Judge of the County Court of Chemung County, 1878-80; has been President of the Second National Bank, Elmira, from 1889 to the present.

As a jurist Judge Dexter established a reputation for diligence, learning and uprightness. He resigned from the bench to become President and active manager of the Second National Bank, of Elmira. How well he has discharged the duties of this responsible position may be learned from the fact that since his election as President of the bank its resources have doubled and the individual deposits have increased three fold.

Judge Dexter is a deep student, a man in active sympathy with all wi e and progressive movements for the betterment of mankind, and well worthy to follow the other distinguished gentlemen who have been honored by the bankers of New York by being chosen as president of the State Bankers' Association.

JOHN A. KENNEDY, *Secretary.*

The secretary, Mr. John A. Kennedy, is at present Second Vice-President of the Niagara Bank, of Buffalo, having served as Cashier from 18 3 until a short time ago, when he was promoted.

Mr. Kennedy is only about forty years of age, but he has had a thorough, all-around experience in banking, serving in almost every capacity. He assisted in organizing the First National Bank, Lake Geneva, Wis., and was for a time its Cashier, but returned to Buffalo in 1889.

The subject of bank examinations has engaged Mr. Kennedy's special attention, and he has contributed some very practical and valuable ideas along this line of bank work.

CHARLES F. VAN INWEGEN, *Treasurer.*

The treasurer of the association, Mr. Charles F. Van Inwegen, is one of the popular young bankers of the State. He was born in 1849. Recently Mr. Van Inwegen was elected President of the First National Bank, of Port Jervis, of which he had been Cashier since 1874. This is a strong country bank, with resources of nearly $800,000.

Mr. Van Inwegen has been honored with a number of positions of trust by the people of his locality, showing the confidence with which he is regarded by those best acquainted with him. He is one of the active members of Group VII, of which he is secretary.

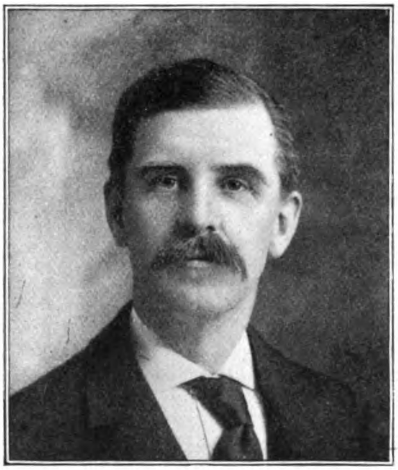
STEPHEN M. GRISWOLD, *Vice-President.*

The vice-president, Senator Stephen M. Griswold, is a native of Connecticut, having been born at Windsor in that State in 18 5.

He lives in Brooklyn, but does business in New York, where for more than forty years he has been connected with the trade in diamonds and jewelry.

He was twice elected a member of the Brooklyn Board of Aldermen, and has also served two terms in the State Senate. Senator Griswold has been a Republican since the existence of that party.

He has been President of the Union Bank, of Brooklyn, from its organization in 1893 to the present. Formerly he was the chairman of Group VIII, and has done good work in promoting the objects of the association.



LEDYARD COGSWELL,
Chairman Committee of Arrangements.

One of the important elements in making a convention successful is the preliminary work of the committee of arrangements. There is no doubt that this part of the programme will be carefully looked after, as the work has been delegated to a committee of gentlemen who will spare no effort to make the convention a great success.

The chairman of this committee is Mr. Ledyard Cogswell, former secretary of the association, and Vice-President and Manager of the New York State National Bank, Albany.

Mr. Cogswell was born at Albany in 1852. In 1869 he graduated from Phillips Academy, Andover, Mass., and entered the First National Bank, Albany, in the fall of that year.

He resigned the position of Cashier of this bank in 1885 to accept the office which he now holds with the State National Bank.

His promotion to this responsible position at the age of thirty-three years marked a rapid advancement in the banking business, which has been fully justified by the capacity which he has shown for successfully managing the affairs of a large and flourishing bank.

A. J. BARNES,
Chairman Group I.

Group I comprises the counties of Cattaraugus, Chautauqua, Erie, Genesee, Niagara, Orleans and Wyoming. The membership includes a very large proportion of the banks in the territory, and a great many live questions have been discussed at the respective meetings.

A. J. Barnes, Chairman of Group I, was born in Troy, N. Y., in 1856. Entered the employ of the Manufacturers' National Bank, of Troy, as a messenger when sixteen years old, and remained with that institution for nine years, resigning in 1882. In the following year he went to Chicago, where he took a clerkship in the Continental National Bank, in March, 1883. He remained with that bank for ten years, reaching the position of chief clerk. Resigned on March 1, 1893, to accept the cashiership of the City Bank, Buffalo, N. Y., which began business twenty days later. Has been active in promoting the success of his group, in whose welfare he takes a keen interest.

Group II includes Livingston, Monroe, Ontario, Seneca, Wayne and Yates counties. Meetings are held at Rochester, and they have been very interesting and profitable.

The chairman of Group II is Mr. Frank H. Hamlin, President of the Canandaigua National Bank. He was born in East Bloomfield, N. Y., in 1846; received his early education at the Academy in his native town and was graduated at Yale College in the class of 1869; studied at the Albany Law School and was admitted to the bar in 1870. In 1873 Mr. Hamlin removed to Canandaigua, which has since been his residence. He has been president of the village, and was a member of the

Constitutional Convention in 1894; was chairman of the committee on printing in that body and a member of the committee on Governor and State officers.

On the organization of the Canandaigua National Bank in 1887 he became its President and has since continued to occupy that position. The bank has been a member of the

F. H. Hamlin,
Chairman Group II.

New York State Bankers' Association from the time of the latter's organization.

Mr. Hamlin is a firm believer in its importance to the bankers of the State, and would be pleased to see its influence extended. He regards it as essential that a correct public sentiment should be created as regards the true relation of the banks to the commercial and other business interests of the country, and is convinced that this can only be done through an organized effort of the bankers themselves.

Group III is made up of the territory within the counties of Allegany, Broome, Chemung, Schuyler, Steuben, Tioga and Tompkins.

The work of Group III, as shown in its meetings, has been excellent. Prominent bankers of the group have been the principal and regular attendants and have given much of interest and profit, in papers and discussions coming out of their large experience, so that the meetings have been practically helpful and educational in a business sense, and have promoted friendly confidence and personal acquaintance.

Geo. R. Williams, chairman of Group III, is President of the First National Bank of Ithaca, the largest and most prominent bank in the county of Tompkins.

Mr. Williams has been practically interested in the banking business throughout his business life, first as collection clerk, then through the different stages of bookkeeper, teller, Cashier, director, Vice-President and now President, though his bank training has not been all in the same bank.

In early life he studied law, and later he took a regular law course, and was admitted to practice, but instead of entering that profession returned to banking.

Afterwards he entered a manufacturing business which reached some measure of success, and which is still in active operation, and has from time to time been charged with large trusts, both public and private (including a heavy receivership).

He has been interested in the New York State Bankers' Association from its organization, finding in its meetings in Group III

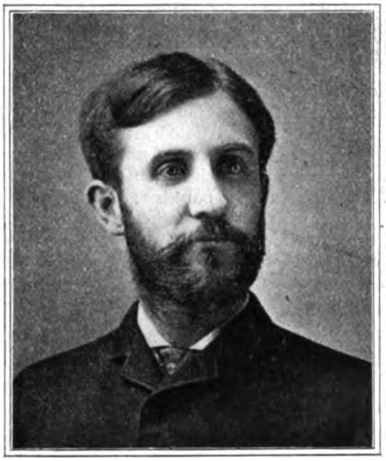
Geo. R. Williams,
Chairman Group III.

much practical benefit, and his own interest was well shown by the fact that this group placed him in Chairman Dexter's seat when the latter had the honor to be given the presidency of the State association.

Group IV comprises the counties of Cayuga, Cortland, Madison, Onondaga, Oswego and Jefferson. There are upwards of forty banks belonging to the group, and general interest is reported in the meetings, which are held at Syracuse.

F. C. Eddy, chairman of Group IV, is Cashier of the Bank of Syracuse, an institution having $125,000 capital, $100,000 surplus and about one million deposits.

Mr. Eddy, was born in Adams, N. Y., in 1856; was graduated from the Adams Collegiate Institute in June, 1875, and in the following September entered the Hungerford



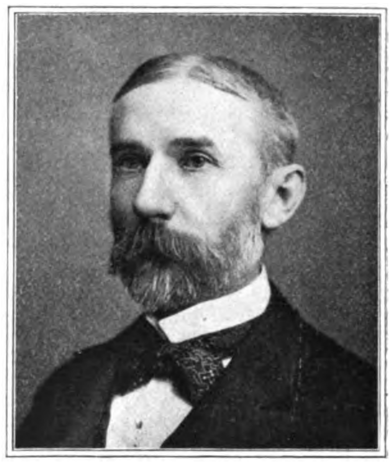
F. C. EDDY,
Chairman Group IV.

National Bank, of Adams, as general clerk, remaining there until November, 1880, gradually assuming the duties of discount clerk, bookkeeper and teller. At that time he resigned to accept a position of bookkeeper in the Robert Gere Bank, of Syracuse, taking the position of teller at that bank some six months later, and remaining there until May, 1884, when he resigned to accept the cashiership of the Bank of Syracuse, in which place he has since remained. His interest in the work of the association commenced with the first suggestion of its organization, and he has followed its course with an increasing desire for its success.

D. A. AVERY,
Chairman Group V.

Group V includes Chenango, Delaware, Fulton, Herkimer, Lewis, Montgomery, Oneida, Otsego and St. Lawrence. There are a good many banks in this territory which have not yet been brought into the association, but it has a large quota of active members who are doing good missionary work. The territory of this group is extensive, as may be seen from the number of counties of which it is composed.

The chairman of Group V, Mr. D. A. Avery, has been in the banking business for nearly a quarter of a century. He is now Cashier of the Second National Bank, Utica, N. Y., a Government depository, with $400,000 capital and surplus. Mr. Avery has aided very materially in bringing his bank up to its present high standard. He is a firm believer in the advisability of maintaining an organization of the bankers of the State.



J. H. DE RIDDER,
Chairman Group VI.

Group VI includes Albany, Clinton, Columbia, Essex, Franklin, Genesee, Rensselaer, Saratoga, Schenectady, Schoharie, Warren and Washington. The capital and surplus of the banks in this group is $11,700,000, and a large proportion of the banks are members. A number of interesting meetings have been held and the administration of the affairs of the group has been harmonious and progressive.

J. H. De Ridder, chairman of Group VI was born in Easton, N. Y. He attended the public school, and finished his education at Williston Seminary, East Hampton, Mass., in June, 1864.

In July of that year, he was unexpectedly, and without solicitation, invited to take a position as clerk in the Bank of Old Saratoga, located at Schuylerville, N. Y., an institution organized under the laws of the State, which he accepted, commencing his duties on August 8. In October of the same year he was made teller, which position he held until the organization of the National Bank of Schuylerville, in July, 1865, as successor to the Bank of Old Saratoga.

For several years occupying the position of teller, also being a director, he was appointed Cashier of the institution, remaining as such until March, 1892, when he accepted the cashiership of the Citizens' National Bank, of Saratoga Springs, N. Y., which he now holds, also being a director.

In 1882, in connection with several gentlemen, he organized the Citizens' National Bank, and was its first Cashier. Conditions arising after its organization led him to resign, and not until 1892 did he again become actively engaged in its management.

Since that time the bank has doubled its business and to-day stands on a par with any in Saratoga county.

During his thirty-three years of banking there has not been a day, when he was not connected officially with some bank.

Mr. De Ridder was invited to meet with a number of bankers, from different parts of the State to discuss a plan and make arrangements for the organization of the New York State Bankers' Association. This meeting was held in Saratoga, August 15, 1894. Since that time he has been actively engaged in the work of the association, and in December last at a meeting of Group VI, was chosen its chairman.

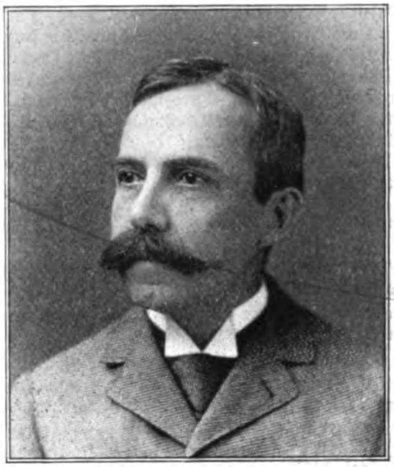
Group VII comprises the counties of Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester. Meetings are usually held in New York, though the group has met once at Poughkeepsie and once at the Grand Hotel in the Catskills. At the latter meeting the members of the group were the guests of Mr. S. D. Coykendall, President of the First National Bank of Rondout, at Kingston.

The Chairman of Group VII, Bradford Rhodes, is a native of Pennsylvania, but has resided in New York State since 1872.

He is the editor of the BANKERS' MAGAZINE, and President of the Mamaroneck Bank and the Union Savings Bank, at Mamaroneck, N. Y., his country place, "Quaker Ridge Farm," being near by. Located in the historic county of Westchester, the village of Mamaroneck is properly a suburb of the city of New York, on the New York, New Haven and Hartford R. R., twenty-one miles from the Grand Central Station and seven miles from the northeastern boundary of the city.

In 1888, '89 and '90 Mr. Rhodes was elected to the Assembly, and as chairman of the committee on banks he secured some important amendments to the banking law; was also instrumental in having the anti-bucket-shop law passed. In 1892 he received the unanimous nomination for Congress but declined the honor.

Mr. Rhodes has been twice chosen as chairman of Group VII, in which he takes an active interest. He has also been a member of the executive council of the American Bankers' Association.



BRADFORD RHODES,
Chairman Group VII.

WALTER E. FREW,
Chairman Group VIII.

Group VIII includes Kings, Queens and Suffolk counties. The territory being contiguous to New York city, a large part of it lying within the limits of Greater New York, which will be an accomplished fact after January 1, 1898. Its banking interests are extensive, and naturally the group is in a flourishing condition.

Though only about thirty years of age, Mr. Walter E. Frew, the chairman of Group VIII, has reached prominence in the banking business, being President of the Queens County Bank, of Long Island City. The total resources of this bank are moving on toward the two million mark. The bank is included in the territory soon to be annexed to New York: its business extends into a number of towns in Queens and Suffolk counties.

Mr. Frew became Cashier of the bank in 1889 and President in 1895. He has greatly added to the strength and popularity of the institution. He is one of the influential members of the New York State Bankers' Association, and a diligent and effective worker in its behalf.

Group IX includes New York city and Richmond county, also a part of the city after January 1 next. Practically all the banks in the city are members, and they have co-operated in making the meetings of practical benefit. Especial prominence has been given to social features and some of the meetings have been notable for the large assemblage of men distinguished in banking and other walks of life.

Frederick B. Schenck was elected President of the Mercantile National Bank in July, 1896. He had held the position of Cashier since 1883. He entered the bank with the late William P. St. John in 1881, upon the invitation of Mr. George W. Perkins, who had just become its President. Within a few months Mr. Schenck was appointed Assistant Cashier and held that position for two years, until the death of Mr. Perkins, when Mr. St. John became President and Mr. Schenck became Cashier. He received his education in the public schools of Brooklyn. At an early age he entered the office of a large brokerage house, where he quickly passed from the lowest to the highest position in the office. For several years he was Cashier for the firm, and held that position during the panic of 1873. Subsequently he entered the note brokerage business, where he continued successfully until invited into the Mercantile by Mr. Perkins, as above stated. Mr. Schenck's home is in Brooklyn, where he is widely known. He has been President of the Brooklyn Young Men's

FREDERICK B. SCHENCK,
Chairman Group IX.

Christian Association for nearly eight years, and is actively connected with various other charitable and social organizations.

As Chairman of Group IX of the New York State Bankers' Association Mr. Schenck presided at the dinner given at the Manhattan Hotel in February last, which was unique as a social gathering of nearly all the bank officers of New York city and was attended by the Mayor of the city, the Comptroller of the Currency and many other distinguished guests.

CONVENTION NOTES.—Mr. Ledyard Cogswell, chairman of the committee of arrangements, has labored assiduously in preparing the programme, and the prospects are that his work will be rewarded by the most brilliant convention yet held.

—This year's meeting will be held in the territory of Group VI, and the bankers of the group have decided to establish headquarters similar to those maintained by the Buffalo bankers at the Niagara Falls convention.

—Group I now has a total membership of 59, the largest of any group outside of New York city.

—At the last convention a resolution was passed favoring an enlarged attendance of ladies. They are expected to take advantage of the invitation by attending the Saratoga convention in large numbers.

BANKERS' CONVENTIONS.

REPORTS OF MEETINGS IN SEVERAL STATES.

ALABAMA BANKERS' ASSOCIATION.

The above association met at Birmingham on June 9, J. W. Whiting, President of the People's Bank, Mobile, presiding. In his annual address he recommended the repeal of the law allowing days of grace, and advocated a system of State bank supervision.

In regard to the taxation of banks he said they were doubly taxed in that State. For instance, if a bank had $160,000 capital, $12,000 of which was invested in a banking house, it would be taxed on the latter and also on the full amount of the stock at market value.

He favored the repeal of the ten per cent tax on State bank circulation, and opposed free coinage of silver.

Frank S. Moody, President of the First National Bank, Tuscaloosa, next spoke on the subject of "Bank Taxation in Alabama." He also referred to the injustice of taxing the real estate of a bank and its capital stock in addition.

S. Steiner, of Birmingham, offered a resolution favoring the repeal of the tax on National bank circulation, and authorizing the issue of notes up to the par value of bonds deposited. After considerable discussion it was decided to memorialize the State's representatives in Congress and also the American Bankers' Association to this effect.

Mr. Steiner offered a motion looking to the enactment of a law providing for the appointment of a State bank examiner, which was adopted.

J. H. Fitts, of Tuscaloosa, spoke on "Our Financial Ills—Their Causes and the Remedy." He spoke pointedly, and said that the ills were due to the unconstitutional decision declaring the greenbacks to be money. The remedy was for the Government to go out of the banking business.

Officers for the following year were then chosen, viz.:

President—J. B. Cobbs, President Berney National Bank of Birmingham.

Vice-President—F. S. Moody, President First National Bank, Tuscaloosa.

Secretary and Treasurer—Tom O. Smith, Cashier First National Bank, Birmingham.

After the close of the business of the convention a banquet was tendered the delegates and invited guests by the Birmingham bankers.

GEORGIA BANKERS' ASSOCIATION.

The convention of the Georgia Bankers' Association was held at Warm Springs, June 16 and 17. After the speech of welcome by Wm. Slade, Cashier of the National Bank of Columbus, the president, L. C. Hayne, President of the National Bank of Augusta, delivered the annual address. He touched on many topics of interest to the bankers of his State and the entire country.

Col. G. Gunby Jordan, President of the Columbus Savings Bank, spoke in favor of rigid State bank supervision.

The operation of the circular check adopted last year was commented on by W. L. Peel, President of the Atlanta Clearing-House Association.

J. K. Ottley, Cashier of the Fourth National Bank, Atlanta, made a report on the last convention of the American Bankers' Association.

S. W. Peek, Cashier of the Hartwell Bank, read a prize essay on the subject of paying interest on deposits.

Capt. John H. Leathers, Cashier of the Louisville (Ky.) Banking Company, spoke on the competition between express companies and banks. In concluding his remarks, he recommended that currency be shipped by insured registered mail instead of by express.

Resolutions were passed favoring the appointment of a commission to study and report upon the currency question.

Officers were chosen as follows: President, John A. Davis, President First National Bank, Albany; first vice-president, R. F. Burdell, Cashier Chatham Bank, Savannah; second vice-president, J. T. Anderson, Cashier Marietta Trust and Banking Company, Marietta; third vice-president, J. E. Wadley, Vice-President First National Bank, Waycross; fourth vice-president, W. S. Witham, President Country Bank Stock Security Company, Atlanta; fifth vice-president, E. P. Owsley, Cashier Fourth National Bank, Columbus; secretary, L. P. Hillyer, Cashier American National Bank, Macon; treasurer, R. H. Plant, Vice-President I. C. Plant's Son, Macon.

Executive Council—Joseph G. Rhea, Cashier City National Bank, Griffin, chairman; C. C. Sanders, President State Bank Company, Gainesville; J. A. McCord, Cashier Third National Bank, Atlanta; E. A. Copelan, Greensboro; B. W. Hunt, Cashier Middle Georgia Bank, Eatonton; T. M. Matthews, Cashier Farmers and Merchants' Bank, Thomaston; E. D. Walter, Cashier National Bank of Brunswick, Brunswick; E. W. Lane, Cashier Merchants' Bank, Valdosta; E. J. Perry, Cashier Bainbridge State Bank, Bainbridge.

Suitable entertainments were provided by the bankers composing the Columbus Clearing-House Association, a banquet being the concluding feature. Several short addresses were made. Mr. W. S. Witham spoke on the topic, "What I Know About Banking." He said: "I can tell you in one sentence; I know that loaning other people's money and keeping all the profits is a very pleasant business, and that is modern banking."

WEST VIRGINIA BANKERS' ASSOCIATION.

The fourth annual convention of this association was held at Parkersburg, June 2 and 3.

The address of welcome was by B. M. Ambler, and was responded to by R. C. Dalzell, Cashier of the City Bank of Wheeling.

President Thomas E. Davis, of the National Bank of Grafton, then read his annual address. In speaking of the growth of the banking business in the State, he said: "In 1865 there were in West Virginia thirteen banks, with a capital of $1,300,000; surplus, $175,000; deposits, $2,339,000; discounts, $1,942,384.

In 1897 we find 104 banks, with a capital of $6,900,000; surplus, $2,247,630; deposits, $18,164,-650; discounts, $8,711,358.

The wonderful increase of banks, however, occurs from 1885 to 1897. From 1865 to 1875 there were fifteen new banks formed. From 1875 to 1885 there were ten new banks organized, or about 36 per cent. over the number existing in 1875. From 1885 to 1897 the number of banks was increased sixty-six, or nearly 160 per cent. more than the number in 1885. The capital now employed, compared with 1865, is six times greater. Deposits and loans eight times as large, surplus two millions larger now than at that period. You will observe that from 1865 to 1875, and from 1875 to 1885, the increase numerically has been in about the same ratio; since that time, or during the past ten years, the ratio has been largely in excess of the previous decades."

The president's address was followed by the report of Secretary L. E. Sands, Cashier of the Exchange Bank, of Wheeling. This latter report showed an increase of membership from last year from thirty-eight banks to fifty-three.

W. H. Furbee, Cashier of the First National Bank, Mannington, read a paper on "How to Figure What an Account Is Worth to You," and L. Mallonee, Cashier of the First National Bank, Grafton, spoke on "Banks and Bankers." He thought that there had been a too rapid increase in the number of banks in the State, and that business was suffering because of too much competition.

A general open discussion of a number of practical banking topics followed, many valuable ideas being brought out.

Officers were elected as follows:

President—Joseph E. Sands, Cashier First National Bank, Fairmont.

Vice-Presidents—L. Mallonee, Cashier First National Bank, Grafton; H. H. Moss, Cashier First National Bank, Parkersburg; J. K. Oney, Cashier Huntington National Bank, Huntington.

Secretary and Treasurer—Wm. H. Furbee, Cashier First National Bank, Mannington.

Next year's convention will be held at Clarksburg.

MISSOURI BANKERS' ASSOCIATION.

The seventh annual convention of the Missouri Bankers' Association met in the Planters' Hotel, St. Louis, June 8 and 9. About 300 delegates were present.

R. R. Hutchinson, President of the St. Louis Clearing-House Association, made the address of welcome. In the course of his remarks he said:

"The false and pernicious theories flaunted before us by so-called statesmen and the minor politicians, whose sole qualifications to act as leaders of the people are a glib tongue, and the assurance that is born of ignorance of the conditions of the problems to be solved, must be met and overthrown by the power of calm reason. The great truth that the State cannot create value, can not make money, in its true sense, of anything not recognized by the consensus of civilized nations as such, must be brought back to the consciousness of those from whose minds it has been banished by the sophistry of false prophets and shallow teachers.

It must be learned again by those who have forgotten it that, as has been well said, the true aim of civil institutions, the purpose for which they exist, is to insure liberty for labor and security for earnings; not to foster and encourage wild schemes and Utopian dreams of prosperity founded on impossible conditions. Every attempt to ignore these principles by the revival of the expedients of mediæval despotism—whether it be by the taxation of the many for the benefit of the few, or by attempts to disturb the measure of value, through the debasement of the medium of exchange—must be defeated and brought to naught. It is a grievous reproach to our country that a proposition to ignore the plainest lessons of history —to imitate the proven fallacies of the past—should have found place and following among us, and should threaten to make a mocking and a by-word of that people whose proper place is as intellectual leaders of the nations.

It is the duty of all thoughtful men to meet and combat such tendencies; but as the most dangerous errors of the day are found in the domain of finance, it is incumbent on the banker to be the foremost champion in the battle against them. In such questions he is the expert, and his opinion, backed by experience and study, should carry decisive weight when brought into conflict with errors and fallacies founded mostly on ignorance of the principles involved, or misinformation as to the facts to be considered."

President Breckinridge Jones, first Vice-President of the Mississippi Valley Trust Co., in his annual address made a strong plea for the establishment of schools of finance. He also commended the group system, which is now in successful operation.

William C. Little of St. Louis, presented a plan for currency reform.

At the second day's session Hon. Fred. W. Lehmann spoke on "The Money Power." He ably defended the banks from the attacks made on them by demagogues.

N. V. Leslie, Assistant Cashier of the Citizens' Bank of Memphis, Mo., read a paper on "Days of Grace," and denounced the system as not only out of date, but that it encouraged tardiness among business men.

John E. Thomson, Cashier of the Citizens' Bank of St. Louis, read a paper on "The Management of a City Bank."

J. B. Thomas, Cashier of the Bank of Albany, read a paper on "Relations of Country Banks to Their Customers." He said that a considerable portion of the people in the rural districts still had the impression that the banker was not their friend, and that he was in reality an enemy of the masses and a sympathizer with the so-called plutocrats. The masses in the rural districts presented still a field for education, as they needed to learn that the banker was simply a servant of his customers. This education could be given by the united effort of the country bankers.

After the adjournment the delegates and guests went on an excursion on the river.

OKLAHOMA BANKERS' ASSOCIATION.

Representatives of a number of the banks in Oklahoma Territory met at Guthrie on June 17 for the purpose of discussing the new banking law, and devising plans for an organization for mutual protection and advancement.

A permanent organization was formed, with U. C. Guss, of Guthrie, president; W. S. Search, of Shawnee, vice-president; Otto H. Shuttee, of El Reno, secretary, and B. W. Holt, treasurer.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

WISCONSIN.

BANK EXAMINER'S OFFICE, MADISON, WIS., June 14, 1897.

To Hon. Edward Schofield, Governor of Wisconsin.

SIR:—In compliance with the provisions of law, I have the honor to submit herewith my fourth semi-annual report relative to the condition of the institutions under my supervision on the date of the last report made to this office on April 2, 1897.

The whole number of these institutions in the State at the present time is 286, divided as follows:

State banks	130
Private banks	107
Savings banks	1
Building and loan associations	48

The aggregate authorized capital of State banks reporting was $6,855,700, and the reported capitalization of private banks was $1,125,986.

The total assets of all banks reporting was $43,062,139, of which sum $11,024,205 represented money of all kinds, and $32,037,933 represented loans, discounts, real estate and all other assets.

Of their liabilities $7,981,689 represented capital stock, $2,667,063 surplus and undivided profits, $31,090,160 deposits, and $1,323,205 rediscounts and bills payable.

A comparison with the semi-annual report made December 14, 1896, tabulated from reports called for from the banks November 21, 1896, shows a decrease of two private banks, a decrease in capital stock and surplus representing $378,604; an increase in loans and discounts of $151,090; and an increase in deposits of $1,778,758. This comparison also shows an aggregate increase of resources and liabilities of $1,529,427.

The cash reserve carried is larger than has been before reported, it being 35.45 per cent. of deposits.

The work of making the regular annual examination of these institutions is in progress at the present time and will be completed before July 3 next, the close of the year.

The new banks organized, with name, location and capitalization are as follows:

STATE BANKS.

Meinhardt Bank	Burlington	$25,000
Farmers' State Bank	Darien	25,000
Bank of Hudson	Hudson	25,000
Commercial State Bank	Medford	25,000

PRIVATE BANKS.

Merchants' and Savings Bank	Kenosha	No capital.
Victor E. Huntzicker	Neillsville	$20,000

The capital stock of the following banks was, upon application of the stockholders, reduced by Act of the Legislature, as follows:

Citizens' Bank, Whitewater, from	$75,000 to $50,000
German-American Bank, Oshkosh, from	$150,000 to $100,000

The following banks have gone out of business:

The Exchange Bank	Alma Center.
The Exchange Bank	Hixton.

The total number of banks which have suspended since last report is four, named as follows:

Bank of Superior	Superior.
Bank of West Superior	West Superior.
State Trust and Savings Bank	West Superior.
Commercial Bank	Eau Claire.

The aggregate assets and liabilities of these institutions at the time of failure was $476,-790, with aggregate amount due depositors $282,028. I am informed by the Receivers of the two first-named banks that, while the process of closing up the business will be slow, there is a reasonable certainty of the depositors being paid in full.

An examination of the State Trust and Savings Bank of West Superior made by myself on the fifth day of February, 1897, showed that its capital was impaired to an extent which seriously jeopardized the interests of depositors. I therefore gave the notice required by law to the officers in charge to make good such impairment. On the fourteenth day of February it went into the hands of a Receiver.

The Commercial Bank of Eau Claire suspended during the panic of 1893, but was reorganized by the depositors taking stock to the amount of 25 per cent. of their deposits. The continued depression in business and financial circles, together with unbusinesslike management, caused it to close its doors on January 7 last.

From information received through the courtesy of the officials in charge, I infer that from the nature of the assets the payment of any considerable sum as dividends to depositors of the two last-named banks is contingent upon a marked improvement in business conditions and an appreciation in real estate values.

Abstract of reports of State banks of the State of Wisconsin at the close of business on April 2, 1897, as made to the Bank Examiner's office:

RESOURCES.	
Loans and discounts	$21,724,143
Unpaid capital	683,500
Overdrafts	276,9'2
Banking house	809,796
Other real estate	966,907
Furniture and fixtures	187,698
Bonds, stocks and securities	1,956,735
Checks on other banks	295,481
Other cash items	46,964
Due from banks and bankers	6,175,381
U. S. and national currency on hand	1,194,076
Gold coin	1,821,409
Silver and subsidiary coin	208,517
Loss and expense account	132,842
Other resources	16,980
Total	$36,017,357

LIABILITIES.	
Capital stock	$6,855,700
Surplus fund	1,326,000
Undivided profits	637,917
Due depositors on demand	15,921,839
Due depositors on time	10,102,766
Bills re-discounted	119,500
Bills payable	76,749
Due to banks and bankers	684,066
Due to others	292,819
Total	$36,017,357

EDWARD I. KIDD, *Bank Examiner.*

The New Issue Counterfeited.—Dangerous counterfeit of the $5 U. S. silver certificate, series of 1896.—This counterfeit bears check letter "B," plate number, 4 (to be found in the lower part of the large V, lower, right corner face of note); J. Fount Tillman, Register; D. N. Morgan, Treasurer; 867,670; small carmine seal. It is printed upon two pieces of paper, between which silk fibre has been distributed, then pasted together. Much of the work on the note is blurred and indistinct, especially is this true of the face of the figure representing "America," the imprint of the "Bureau of Engraving and Printing," right end border face of note, most of the parallel ruling, and "Series 1896" in scroll, lower right centre face of note. The seal is much darker red than the genuine and badly blurred. The numbering is too large and the dark outlines of the original numbers can be faintly discerned beneath those stamped on the counterfeit. The back of ths note has a dull, faded appearance. The green ink is a lighter shade than that used on the genuine. The portraits of Grant and Sheridan are flat, do not stand out in relief as in the genuine. The note has the appearance of having been circulated, owing in a degree to the soft fibrous character of the paper.

Dangerous Counterfeit $2 U. S. Silver Certificate, Series 1896.—This counterfeit bears check letter "B," J. Fount Tillman, Register; D. N. Morgan, Treasurer; No. 468,878, small carmine seal. No plate number is to be seen. It is printed upon two pieces of paper, one of which has blue and red silk fibre distributed through it, then pasted together, making it similar to the Government distinctive paper. The general appearance of both front and back of note is blurred and indistinct, especially the imprint of the "Bureau of Engraving and Printing" on back, and "Series 1896" in scroll, upper right corner face of note. The letter and designs on seal are badly blurred. The numbering is put on note by automatic numbering machine. The back of the note has a dull, faded appearance. The green ink is a lighter shade than that used on the genuine. The portraits of Fulton and Morse are not brought out fully, as is the case in all photographic counterfeit notes, and the blue and red silk fibre can plainly be seen in the paper, back piece of note. The note has an oily appearance and feels the same to the touch, owing to the soft, fibrous character of the paper, and can be easily split.

OPEN LETTERS FROM BANKERS.

AN INTERCHANGE OF OPINION BY READERS OF THE MAGAZINE.

PROVIDING A BANK CURRENCY.

Editor Bankers' Magazine:

SIR:—In your editorial comment, "The Defence of the Greenbacks," you suggest and favor the idea of imitating the foreign countries, like England and France, and have a bank like those instituted in these countries, which can furnish a credit currency without periodically increasing taxation to maintain it at par in gold.

You are right when you state that the actual system of American paper currency is vicious, and that no enlightened Government can issue paper currency because no Government can bring itself into such intimate relations with the business of the country as a bank can do.

But it would be difficult in my opinion to give to one bank only all the privileges, and even unjust and dangerous to deprive all the existing National banks of their privilege of issuing the currency. In America another system ought to be adopted, viz., a certain number of National banks, selected by the Comptroller of the Currency, should be formed into an association, and to this body grant the privileges to be enjoyed by the intended Bank of the United States.

G. V. DEL FERRA.

NEW YORK, July 3.

THE WISCONSIN BANKING LAW.

Editor Bankers' Magazine:

SIR:—Wisconsin has at last secured a much needed revision of the present State "loose-go-as-you-please" banking laws. I watched the progress of the Act through our Legislature with much interest, because for the last fifteen or twenty years bills from time to time for the same purpose were opposed and defeated by the bankers. But now a change in the spirit of their dreams has come, for to the action and influence of the Wisconsin Bankers' Association we are indebted for the revision.

I had secured a copy of the substitute for the bill first introduced, had compared it with that approved by the Governor, noted the important changes with pencil, and was about to mail the same, with a letter to you, when I read your very good synopsis of the Act in the BANKERS' MAGAZINE. The original crude bill was put into the hands of a committee by the Wisconsin Bankers' Association, composed of the following gentlemen: A. J. Frame, Waukesha; M. B. Greenwood, La Crosse; M. G. Jeffris, Janesville; L. S. Hanks, Madison, and E. F. Hansen, Beloit. The outcome of their labors was the substitute (which I mail to you) which passed both branches of the Legislature almost unanimously, practically without amendments. Excepting that part relating to Savings banks, Mr. M. G. Jeffris, lawyer and banker, of Janesville, is entitled to authorship more than any other person.

We think Chap. IV, pertaining to Savings associations, is about right—well "boiled down" yet containing all legislation needed for the security of depositors and for encouraging the organization of new banks.

The authorship of this part of the revision is due to Hon. E. F. Hansen, Secretary and Treasurer of the Beloit Savings Bank.

S. T. MERRILL.

BELOIT, Wis., May 26, 1897.

RETIRING THE LEGAL TENDERS.

Editor Bankers' Magazine:

SIR:—Paying debts, or even paying interest on one's debts, is always unpopular to the debtor. I was greatly interested in reading, in your issue of last April, page 506, "There are however ways of retiring the legal-tender and other notes by which the Government will be put to much less expense than by the issue of bonds to procure gold." I wish you would explain how the gold to be given in return for greenbacks under Mr. Fowler's plan is to be got, except by a sale of bonds. Is it to be got through taxation? Will this be a more popular mode than a sale of bonds?

You say also, "The silver certificates will take care of themselves as a SUBSIDIARY currency." I do not know just what you mean by this. But plainly the silver dollars, not the silver certificates, are the real trouble. Secretary Carlisle, as you may remember, wrote a letter during the campaign last year saying in effect that the Government recognized the obligation to redeem the silver dollars in gold in case it should be necessary in order to maintain them at par. He felt obliged to say this because he saw that their existence at par was the greatest source of confusion in regard to our currency, and that it was made use of by the silverites to prove, falsely, that the mere fiat of Government, unsupported by any expectation of redemption, would hold a coin far above its natural value.

While it is doubtless true that in the present state of affairs it is wise to begin the reform of our currency by the withdrawal of our present legal-tender paper, I think a little reflection will convince you that these wretched silver dollars do far more harm to public thought and sentiment than the greenbacks do.

I agree that the Government is not the best custodian for the gold that must be held to redeem gold certificates in case the Reform Club plan be adopted, and I hope some day, if the plan suggested by the Reform Club is ever put in practice, that the duty of holding this gold will be shifted from the Government and that it will be held by a private institution, as it is in England against the Bank of England notes.

I am inclined to believe however that we ought always to have some *legal-tender paper* in this country, because it is occasionally of great importance to have currency that is legal tender, and because in many parts of our country it is almost impossible, and in all parts quite inconvenient, to use gold for this purpose in large quantity. If we are to have legal-tender paper, of course a gold certificate is the best possible form of it, and as you say, the gold is not perfectly safe in the hands of our Government.

Mr. Fowler's plan, then, leaves the silver dollars—the worst part of our currency—in existence, and does not provide for any legal-tender paper. His plan would be unpopular because, like the plan of the Reform Club, it necessitates a sale of bonds; but, worse than the Reform Club's plan, it apparently involves lessening the amount of legal-tender currency in the country which our Reform Club's plan avoids.

BOSTON, June 28, 1897. C. C. JACKSON.

MR. KELLEY'S PROPOSALS FOR CURRENCY REFORM.

Editor Bankers' Magazine:

SIR:—Will you kindly publish this rejoinder to your criticism in the June issue, of a paper by the writer entitled, "Proposals for Currency Reform."

The writer is fully committed to and is advocating currency reform in an humble way. I shall endeavor to show that in his zeal to discredit "Proposals for Currency Reform," the critic has transgressed two canons of literary criticism.

One is that whatever is to be critically reviewed should be read over carefully in its entirety; and the other, that one feature should not be singled out and criticized apart from others associated to form a harmonious whole.

The criticism makes it appear that I am in sympathy with "the struggle to retain the legal-tender notes" (greenbacks). The following extracts will show conclusively that I am unequivocally opposed to the retention of the greenbacks, or any legal-tender paper currency:

"It had been well for the country had they (greenbacks) been retired in some way on the resumption of specie payments; in what way matters little, any way would have cost the country less than it has to retain them.

To differentiate the adverse effect of the fiat legal-tender paper from other causes, one might say that the business depression and hard times (1893-1896) was sown by silver inflation, cultivated by tariff tinkering, and harvested by the fiat dollar greenback. Out upon a currency so fraught with danger to the country: no time should be lost in relegating it to the limbo of previous monetary abortions!"

The MAGAZINE, in its criticisms, claims that the interconvertible bond notes would "fill up the entire currency field;" yet in the next paragraph admits that the issue is to be limited to the amount of the greenbacks and Treasury notes outstanding, which on Jan. 1, 1897, amounted to $466,497,296. On the same date the total amount of money and currency in the country was, according to the Treasury returns, nearly $2,500,000,000. This is five times the volume of the proposed interconvertible bond currency, and yet the statement is made "that it would indefinitely fill up the entire currency field."

The criticism builds up a terrible straw man or inflation bogie out of unsupported opinions—not facts—then proceeds to demolish it, and in so doing saves the country from "a fluctuating paper basis!" You say:

"To maintain the gold standard the business men of the country must have no difficulty in procuring gold coin in exchange for paper money at par, when they want it to meet payments both at home and abroad. The new notes will not procure gold. The Government will only give bonds for them. The bonds may be sold for gold in the markets, but as the demand for gold coin is greater or less their price, or what is the same thing, the par value of the bonds as measured by gold coin, will fluctuate, and the notes will follow the fluctuation of the bonds."

Do you really believe there would be any great or rapid fluctuation in the price of two and one-half per cent. Government bonds payable principal and interest in gold?

As a matter of fact no strain to furnish gold will be put upon the notes or bonds representing the new national currency. In the proposed currency system gold, for the business needs of the country, is more abundantly provided for than is the case at present, by means of a bank credit currency. This allows the issue of notes up to seventy-five per cent. of banking capital, and as the aggregate capital of the banks of the country, exclusive of Savings banks and trust companies, is nearly 1,000 millions, there will be an available issue of approximately $750,000,000 of currency redeemable in gold.

Will any one contend for a moment that such an open reservoir of gold will not supply any legitimate, ay, any possible demand that may arise for the yellow metal? Its effect will be to render impossible any other than a perfectly legitimate business demand for gold.

In view of this condition of affairs, with respect to the gold supply, the following from the criticism under consideration seems highly imaginative:

"Gold will be bought up, cornered and sent out of the country. The restricted bank currency cannot, under such circumstances, be maintained at par with gold coin."

As a matter of fact the currency in circulation redeemable in gold since August, 1890, has been oftener less than more than 400 millions. Before 1890, the greenbacks in circulation scarcely exceeded 320 millions, and have been redeemable only at the sub-Treasuries in New York and San Francisco. Is there likely to be any more difficulty in providing gold when there is a possible 750 millions available and procurable in part in every city and large town in the land? The statement that there would be is simply incredible.

In consideration of another point I will quote as follows:

"To maintain the gold or hard money standard, there must be no influence at work to make gold coin a commodity and drive it from ordinary circulation."

With this proposition the writer heartily agrees, but it must already be in "ordinary circulation" before it can be driven out, and at the present time gold is not in "ordinary circulation." One purpose of the currency system developed in my "Proposals for Currency Reform" was to bring gold into ordinary and usual circulation; this was to be accomplished, first, by a system of bank credit currency that would cause banks all over the country to use gold more freely, and secondly, by allowing the issue of no paper currency of less denomination than $10. This restriction was in part due to a very strong argument made by Senator Lodge, in conversation with the writer, while the paper was in preparation. This was in substance that much of the misconception apparent among the people on the monetary question was due to the fact that gold was rarely seen in circulation. From the standpoint of value gold only is money; as, however, our paper currency circulates everywhere and always at par with gold, people have come to look upon this paper representative as itself money. Gold in regular circulation is necessary to correct this misconception. England, which has no note of less denomination than five pounds sterling, ($25) and a large circulation of gold coins, is not troubled with the financial fallacies that have prevailed so extensively in the United States. With gold in considerable actual circulation it would have a better distribution about the country, and then would be less likely to invite speculative manipulation than if congested at a few financial centres. Value and value alone—hard money—gold, must be the foundation of sound currency; when paper is looked upon in any other light than as simply a representative of value, trouble begins.

In any reform of the currency it is fully as necessary to consider what measure of reform is obtainable as what reform is best in the abstract.

The MAGAZINE notes "throughout the country a sentiment in favor of the retention of Government notes in some form."

In public and private discussion the writer has been surprised at the strength of the sentiment in favor of the retention of the greenback, "because it is Lincoln money;" because it "provided means for carrying on the war to a successful issue." Sentimental twaddle all of it—nothing else, yet quite effective when feelingly presented before uninformed people. The proposition that "the Government should furnish the people's money" has still wider acceptance. It is a tenet of the socialist element; Government currency seems to have a strong following in the Senate also.

In any reform movement needless opposition is to be avoided, hence the proposed "National Currency" in place of the greenbacks. This feature, while not all that could be desired, will win support to a system of currency embracing a large measure of reform, which if arrayed in opposition would defeat all reform. It is as nearly harmless as a Government currency can be; its volume is not large enough to make it in any way dangerous, as incorporated in the proposed currency system, and with an improved public sentiment on monetary matters, it would doubtless be gradually retired.

In conclusion let me express my hearty approval of your views as expressed in the following paragraph, always bearing in mind that the largest measure of reform obtainable is the best reform:

"In a genuine reform of the currency the free coinage of silver is not the only thing that needs to be opposed. A point even more important, according to the view consistently taken by the MAGAZINE, is the absolute retirement of the legal-tender notes at the least cost to the Government and the least shock to the business of the country."

True, but it is to be a hard fight and will have to be accomplished a step at a time.

BOSTON, Mass., June 30. WALTER STUART KELLEY.

NATIONAL BANK NOTE REDEMPTION FUND.

Editor Bankers' Magazine:

SIR:—I was not a little surprised to read on page 812 of the BANKERS' MAGAZINE for June, in discussing the protection of bank deposits, this statement:

"Within a few years has been witnessed the transfer of the trust fund for the redemption of National bank notes to the general fund of the Treasury for the mere purpose of making a monthly statement show a surplus instead of a deficit."

As I happened to be an officer of the Treasury Department at the time this change was made and am familiar with the purpose of the change, I think it my duty to correct this unwarranted slur upon the administration of Secretary Windom.

The change to which you refer was made pursuant to an Act of Congress approved July 14, 1890, which read:

"Upon the passage of this Act the balances standing with the Treasurer of the United States to the respective credits of National banks for deposits made to redeem the circulating notes of such banks, and all deposits thereafter for like purpose, shall be covered into the Treasury as a miscellaneous receipt and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption."

At the time this Act was passed, July 14, 1890, there was an embarrassing surplus in the Treasury, and the department was buying United States bonds at a high premium. The amount disbursed between July 14 and November 1, 1890, in purchasing Government bonds and prepaying interest was about $99,000,000. The excess of revenues over expenditures for the fiscal year 1890 was $85,040,271.97, and the actual cash in the Treasury July 1, 1890, was over $283,000,000, including $190,000,000 of free gold.

The purpose of transferring the redemption fund of the National banks into a non-interest-bearing debt due by the United States was to do away with the necessity of holding in the Treasury a large sum in cash as a "special fund." Secretary Windom strongly recommended the change. The statement that it was done to make the monthly statement show a surplus instead of a deficit is directly contrary to the facts and is one of the old campaign charges long since exploded.

NEW YORK, June 18, 1897. E. O. LEECH.

An Easy Lesson in Economy.—An exchange says that a Pennsylvania grocer recently received the following letter:

"DEAR SIR.—Having been accustomed to spending twenty cents a day for whiskey, I find by saving it I can order from you during one year 3 bbls. flour, 100 lbs. granulated sugar, 25 lbs. corn starch, 125 lbs. macaroni, 60 lbs. white beans, 6 lbs. ground pepper, 1 doz. scrub brushes, 50 lbs. sal soda, 20 lbs. roasted coffee, 25 cans tomatoes, 24 cans mackerel, 50 lbs. best raisins, 1 doz. packages herbs, 40 lbs. codfish, 110 lbs. buckwheat flour, 100 lbs. oatmeal, 20 lbs. rice, 1 bbl. crackers, 100 lbs. hominy, 18 lbs. mincemeat, 1 doz. brooms, 12 bottles machine oil, 20 lbs. Oolong tea, 24 cans green peas, 20 lbs. dried apples, 25 lbs. prunes, 40 lbs. laundry starch, 28 lbs. table salt, 25 lbs. lard, 12 bottles maple syrup, 100 bars soap, 2 gallons chow chow, 1 ream note paper, 500 envelopes, 2 newspapers for a year. I had no idea my drinking had been costing me so much, and believe now I can live better and buy more for my family."

Has Proved Invaluable.—S. R. FLYNN, a National bank examiner at Minneapolis, Minn., writes:

"The BANKERS' MAGAZINE has proved itself an invaluable aid in my work."

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of **New National Banks** (furnished by the Comptroller of the Currency), **State and Private Banks, Changes in Officers, Dissolutions and Failures**, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—Henry M. Wells has been appointed Cashier of the National City Bank, Brooklyn, to succeed David L. Harris, resigned.

—Charles F. James has been elected President of the Franklin National Bank, succeeding Hon. Ellis H. Roberts, appointed Treasurer of the United States. Mr. James was one of the organizers of the bank, and as Vice-President and Cashier has been active in its management. He is a son of former Postmaster-General Thos. L. James, President of the Lincoln National Bank. Edward M. Cutter succeeds Mr. James as Vice-President; the position of Cashier remains vacant, but John H. Van Deventer will be acting Cashier.

—The firm of H. Knickerbacker & Co. will not be discontinued on account of the recent death of Mr. Knickerbacker, his widow having decided to continue the business in partnership with Robert Gibson, long confidential clerk for the firm.

—Wm. Rhinelander Stewart has been elected a director of the Corn Exchange Bank.

—Daniel V. P. Hegeman has been elected Assistant Cashier of the Nassau National Bank, Brooklyn.

—Roswell P. Flower, former Governor of the State, succeeds the late Alex. T. Van Nest as director in the Corn Exchange Bank.

—On June 30 Mr. Alvah Trowbridge was elected Vice-President of the National Bank of North America, and Mr. Henry Chapin, Jr., was chosen to succeed him as Cashier.

While Cashier of the bank Mr. Trowbridge made an exceedingly creditable record and his promotion is well deserved. Mr. Chapin was Cashier of the Third National, prior to the liquidation of that bank, and is a capable bank officer.

The changes are such as will further add to the strength and popularity of the National Bank of North America.

—The Consolidated Trust Co. has been organized to do a regular trust company business.

—Hotchkiss & Frank have been succeeded by Frank & Cooper.

—Joseph T. Moore, for many years associated with the management of the National Park Bank, has resigned as Vice-President of that bank, owing to ill health. He will continue to be its senior director.

—President J. Edward Simmons, of the Fourth National Bank, has been elected a trustee of Williams College, Williamstown, Mass. Mr. Simmons was a member of the class of '62, so that his election as trustee celebrates the thirty-fifth anniversary of his graduation.

—At the recent annual election of the Stock Exchange, the following officers were chosen: President, Francis L. Eames; secretary, George W. Ely; treasurer, Franklin W. Gilley; chairman, William McClure.

—By consent of the clearing-house committee the Merchants' Exchange National Bank will hereafter clear for the Gansevoort Bank, whose redemption agent has been the Third National Bank.

—The Stock Exchange firm of William Alexander Smith & Co., composed of William Alexander Smith and his son, R. Hobart Smith, has been dissolved, in pursuance of an announcement made to that effect some months ago. William Alexander Smith is the oldest member of the Stock Exchange. He was admitted on Dec. 17, 1844. Mr. Smith will have desk room at 11 Wall street.

—The count of the money in the United States Sub-Treasury that has been in progress ever since the morning of April 21 was recently finished. Altogether $195,388,000 was counted; $64,465,000 in notes, $77,940,000 gold, $52,739,000 silver, and $239,000 minor coin. The gold counted weighed in the neighborhood of 155 tons and the silver 1,500 tons. A discrepancy, amounting to $1.36 too much, was found by the counters in the miscellaneous cash.

—By a recent decision of a case at Media, Pa., the Tradesmen's National Bank wins a suit for $11,047 against a wool-importing firm.

—The Hide and Leather National Bank will shortly move from No. 1 Ferry street to the new Woodbridge Building, at John and William streets.

—Superintendent of Banks Kilburn has authorized the Merchants' Safe Deposit Co. to do business. The capital stock of the company is $100,000.

—Mr. Samuel Sloan, president of the Delaware, Lackawanna & Western Railroad Company, and Hon. A. B. Hepburn, President of the Third National Bank, have been elected Vice-Presidents of the National City Bank.

—On June 18 the Bowery Bank declared a semi-annual dividend of six per cent., and an extra dividend of four per cent.

—The Tradesmen's National Bank has resumed the payment of dividends.

—At the recent meeting of the National Credit Men's Association at Kansas City, Mo., James G. Cannon, Vice-President of the Fourth National Bank, was elected president.

—J. T. Baldwin, Cashier of the Manhattan Company, recently completed forty-seven years' service in that institution, and his fellow employes, in recognition of the fact and their esteem for him presented a cane to him made from part of one of the original wooden water pipes that belonged to the Manhattan Company. The pipe was dug out of Broadway in 1890. It had probably been there since 1799 (or soon afterwards), when the company was organized to supply water to the city, the bank being an offshoot of the undertaking and the real object of its incorporation. The cane presented to Mr. Baldwin is set in a handsome gold handle, suitably inscribed, and bears the recipient's monogram.

— On June 9 the National Surety Co. was authorized to begin business, with $500,000 capital and $500,000 surplus. The principal office will be in the N. Y. Life Insurance building.

—The card of Messrs. Wilson & Stephens, 41 Wall Street, appears elsewhere in this issue. Mr. Henry R. Wilson, for the past five years of the firm of James N. Brown & Co., New York, and Mr. Thomas W. Stephens, until the 1st inst., and for the last eight years Cashier of the Bank of Montclair, Montclair, New Jersey, comprise the firm. In addition to a general banking business they will deal in approved securities, making a specialty of municipal bonds and local securities.

NEW ENGLAND STATES.

Boston.—Joseph H. White has been elected President of the Eliot National Bank, in place of Wm. H. Goodwin, deceased.

Connecticut Holiday.—At the last session of the Legislature, February 12 (Lincoln's Birthday) was made a holiday, and the law making October 15 a holiday was repealed.

Hartford, Conn.—It is reported that the Mercantile National Bank has decided to go into liquidation. It was organized in 1854 and did a State banking business until 1865, when it went into the national system.

An Aged Banker.—Joseph Hardy Phippen, Cashier emeritus of the Mercantile National Bank, Salem, Mass., recently observed the ninetieth anniversary of his birth by holding a reception at his residence. He is a native of Salem, and has passed all of his life there. He filled the positions of clerk and bookkeeper in the bank for a long period and was then appointed Cashier. He retired from active work on March 7, 1893, having been connected with the bank sixty-five years, of which he was Cashier for forty-one years.

Vermont Investors' Loss.—By the recent failure of a Savings Bank at Pierre, So. Dak., considerable losses will be sustained by investors at Montpelier, Vt., where a large part of the $50,000 capital stock is held.

Maine Savings Banks.—The deposits in the Maine Savings Banks now amount to $58,698,396, and total resources, $61,891,332.

A Model Bank Building.—The BANKERS' MAGAZINE has received from Charles W. Woodhouse, President of the Merchants' National Bank, Burlington, Vt., a most attractive little book describing the bank and its new building. The structure, as shown by the handsome illustrations, is an ideal one, and the bank itself is especially strong, having $500,000 capital and $250,000 surplus.

MIDDLE STATES.

Washington, D. C.—At a meeting of the directors of the Columbia National Bank on June 8, E. Southard Parker, the President, tendered his resignation, to take effect July 1, which was accepted with regret. Albert F. Fox, the Vice-President of the bank, was elected to fill the vacancy caused by the resignation of Mr. Parker, and Charles B. Bailey was chosen Vice-President in place of Mr. Fox. Mr. Parker, in connection with S. W. Woodward, recently secured control of the Metropolitan National Bank, and Mr. Parker was elected President of that institution.

Philadelphia.—Edward C. Lilley has resigned as Assistant Cashier of the Third National Bank to become assistant treasurer of an insurance company.

Buffalo, N. Y.—The Buffalo Savings Bank will put up a new building at Main and Huron streets.

—The Bank of Buffalo recently reduced interest on deposits to three per cent. Efforts have been made to secure an agreement on the part of all the leading banks to make similar reductions.

New Bank at Erie, Pa.—About August 1 the Citizens' Bank of Erie, Pa., will begin business with $25,000 capital. The officers will be: President, C. C. Minton; Vice-President, Paul D. Wright; Cashier, Frank Burns. The Hanover National Bank will be the New York correspondent.

Bank Examiner Resigns.– Charles R. Hall, of Albany, N. Y., has tendered his resignation as an examiner of the State Banking Department, where he has served since 1889, because of his election to the presidency of the New York Building-Loan Banking Company.

Bank Robber Sentenced.—On July 2 Patrick Flannigan, convicted of robbing the Yonkers (N. Y.) Savings Bank in April last, was sentenced to eleven years' imprisonment at hard labor.

SOUTHERN STATES.

Richmond, Va.—The First National Bank, through its board of directors, has chosen Virginius Newton, President, to succeed the late A. L. Boulware. At the same time the office of Vice-President was created and John B. Purcell elected to the position.

New Bank in Virginia.—It is reported that a new bank is being organized at Emporia, Va., to begin business July 15.

Improvement Bonds Sold.—Onancock, Va., has sold an issue of $5,000 of improvement bonds to the United States Trust Co., of Baltimore. The bonds bear six per cent and run for twenty-five years unless sooner redeemed by the council.

Atlanta, Ga.—On June 29 the board of directors of the Lowry Banking Companv declared a semi-annual dividend of four per cent. out of the net earnings of the current six months, payable on and after June 10.

WESTERN STATES.

Stockholders Assessed.—The Comptroller has levied an assessment of $78 per share on the stockholders of the failed Marine National Bank, Duluth, Minn., payable July 15.

Suit to Recover Dividends.—The Receiver of the Capital National Bank, Lincoln, Neb., has brought suit to recover dividends paid, on the ground that they were not earned, but were paid out of the deposits.

Chicago.—A movement has been started to make the local sub-Treasury a member of the clearing-house.

—Charles W. Spalding, ex-President of the Globe Savings Bank, was acquitted on June 18 on the charge of embezzlement. There are numerous other charges yet pending against him.

Bank Reduces Surplus.—Recently the Madison National Bank, of Richmond, Ky., has made a reduction of $50,000 in its surplus, dividing that amount among its shareholders.

Cincinnati, O.—The Fifth National Bank has reduced its capital from $500,000 to $300,000.

Becomes a National Bank.—Permission has been given the Exchange Bank, Springfield, Mo., to organize as the National Exchange Bank.

St. Paul, Minn.—The Stock Yards Bank commenced business at South St. Paul, July 1, with $25,000 capital.

Ohio Banks Consolidate.—On June 16 the New First National Bank, a combination of the National Bank of Columbus and the Fourth National, opened for business at Columbus, Ohio, with $400,000 capital.

New Clearing-House.—Bankers at Youngstown, Ohio, have organized a clearing-house association, and have elected John C. Wick, President; Mason Evans, Vice-President, and Thomas A. Jacobs, Manager.

Fidelity Bank Decision.—By a decision of the Kentucky Court of Appeals, June 17, creditors of the failed Fidelity National Bank, Cincinnati, Ohio, must look to E. L. Harper and his bondsmen for $581,000, for which it was sought to hold a certain manufacturing company responsible.

Holidays in Colorado.—It is reported that, owing to a blunder in drawing up and passing a recent law in relation to holidays, all holidays are abolished in Colorado except Arbor Day, Labor Day and the Saturday half-holiday.

St. Louis, Mo.—On June 29 the German-American Bank sent notices to stockholders that it had declared a semi-annual dividend of twenty per cent. out of the bank's earnings for the past six months. Heretofore the institution has been paying regular annual dividends of twelve per cent. The officers say that if the present business continues they see no reason why the bank should not pay forty per cent. annual dividends right along.

Attempted Bank Robbery.—On June 28 the Butte County Bank at Belle Fourche, So. Dak., was entered by robbers, who held up the Cashier. The robbers were captured.

Robbers Captured.—The Bankers' Mutual Casualty Co., of Des Moines, Iowa, writes:

"Feeling that you will doubtless be interested, we take pleasure in saying that the arrest has been accomplished of one of the three men who robbed the bank at Montpelier, Idaho, August 13, 1896. The party whose arrest has been secured is known as 'Meeks' and is the man who did the robbing while his accomplices held up the banker and a few customers. We, of course, are greatly elated over the capture, as it is probably one of the worst and most desperate gangs in the country."

Bank Reorganized.—The State National Bank of Logansport, Ind., which was wrecked by its President, has been reorganized as the City National Bank.

Nebraska Bank Resumes.—On June 16 the Bradshaw (Neb.) Bank, which closed in May last, opened for business with $10,000 capital.

Kansas City, Mo.—At the annual convention of the National Association of Credit Men, in session here on June 10, the following resolution submitted by the Minnesota delegation was unanimously adopted:

"To the Senate and House of Representatives of the United States: Resolved, That the National Association of Credit Men most respectfully but earnestly direct the attention of your honorable body to the unsatisfactory condition of the currency and banking laws of the United States, and in consequence to the ever present danger of financial disturbance and distress to all the business interests of the nation. The last election unmistakably expressed the anxious desire of the people of the United States for a rectification of the currency and banking laws, and to that end we believe that such reform must be in well digested and deliberate legislation which may best be provided for by authorizing the President to appoint a commission as proposed by the Indianapolis monetary convention. Therefore we have the honor to request that you favor the granting of such authority to the President during the present extra session."

—The Concordia Loan and Trust Company of Missouri has filed articles of incorporation. It has $100,000 capital. Charles S. Fairchild, ex-Secretary of the Treasury, will be President. The company will succeed the Concordia Loan and Trust Co., a Kansas corporation. It will do a more extensive business, and will represent the Boston corporation organized to liquidate the Lombard assets. As soon as there is a demand for Western loans, the company will lend money and sell mortgages.

PACIFIC SLOPE.

San Francisco.—Geo. Maxwell, for twenty years paying teller of the First National Bank, was recently discharged for giving testimony in a will case, on the ground that he had violated the confidence of the bank.

New Private Bank.—E. Y. Grassett & Co. have opened a bank at New Whatcom, Wash.

Assets Sell Cheap.—At a recent sale of assets of the failed First National Bank, Port Angeles, Wash., $25,000 in promissory notes sold for $50, and $19,000 of other assets went at $850. A dividend of twenty per cent. had been previously paid to the creditors.

CANADA.

Imperial Bank of Canada.—The twenty-second general annual meeting of the Shareholders of the Imperial Bank of Canada was held at Toronto, June 16. Profits for the year, after making all deductions, were $189,196. In commenting on W. J. Bryan's recent visit to Canada, the General Manager said: "Although there are those who believe that the hideous spectre of repudiation in the shape of '16 to 1 bi-metallism' will yet win the heart of the American people, those who had the good fortune to hear the advocate and exponent of repudiation on his recent visit to Toronto, cannot believe that such shallow reasoning upon such false premises can be followed by success."

Montreal.—W. M. Macpherson, of Quebec, has been chosen President of Molsons Bank, to succeed the late J. H. R. Molson. Mr. H. Markland Molson has been chosen to fill the vacancy on the board of directors.

—The will of the late J. H. R. Molson bequeathed $155,000 for charitable and educational purposes.

New Bank Agency.—The Bank of British North America has opened a branch at Slocan City, British Columbia.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Arkansas.—The Boone County Bank, of Harrison, closed June 9; liabilities, $55,000.

Illinois.—Arrangements have been made for paying the creditors of the Vanordstrand Bank, of Heyworth, which failed recently.

Kansas.—The Salina State Bank voluntarily went into the hands of the State bank commissioner, June 30.

Massachusetts—BOSTON.—F. R. Cordley & Co., Stock Exchange brokers, assigned June 24.

Michigan.—The State Bank of Fenton closed June 14 by order of the bank commissioner. The capital stock is $50,000, and the deposits $80,000. Officials state that depositors will be paid and that the embarrassment is only temporary.

Missouri.—M. L. Reid, proprietor of the Jasper County Bank, of Carthage, has decided to retire from business, and has placed the affairs of the bank in the hands of J. F. Dougherty, the Cashier, who will liquidate the indebtedness.

Nebraska.—On June 25 the Attorney-General applied for the appointment of a Receiver for the failed Merchants' Bank, Lincoln. The reserve fund of the bank does not equal 15 per cent. of the aggregate deposits, which exceed $37,000. The cash on hand, including cash items, is less than $750.

North Dakota.—On June 21 it was reported that there was enough cash on hand to pay the creditors of the Merchants' National Bank, of Devil's Lake, in full, with interest. Credit is given President John A. Percival for making arrangements to pay depositors without assessing shareholders.

Oregon.—On June 10 the Bank of Forest Grove, Anton Pfanner, proprietor, made an assignment. Pfanner is reported missing. The bank did a considerable real estate and loan business.

Pennsylvania.—On June 29 the Keystone National Bank, of Erie, closed and will go into liquidation. The bank was organized in 1864 with $250,000 paid-in capital, which was reduced to $150,000 a few years since. During the past three months there had been a steady drain on the bank's deposits. On May 14 the statement showed $433,712 in loans and discounts; real estate, bonds and other assets to the amount of $756,000; individual deposits and demand certificates, $500,000.

South Dakota.—On June 29 the Pierre Savings Bank voluntarily assigned to its President, C. C. Bennett. Its business was in real estate mortgages, and a considerable amount of this class of property has come into its possession.

Texas.—The First National Bank, Mason, went into the hands of a bank examiner on July 7.

Virginia.—Owing to excessive taxation and small profits the Farmers' National Bank, of Culpeper, recently decided to go into liquidation.

C. J. Rixey, the Cashier, will continue business at the same place as a private banker under the name of the Farmers and Merchants' Bank.

Washington.—On June 29 the Union Savings Bank and Trust Co., of Tacoma, suspended. It was organized in 1891, with $50,000 paid-up capital. Deposits are not large. Some of the city warrants held by the bank are invalidated by a recent court decision. Charles Richardson has been appointed Receiver.

Up-to-Date and Practical.—J. T. TRENERY, Cashier of the Farmers' National Bank, Pawnee City, Neb., a new subscriber to the MAGAZINE, writes recently ordering a copy of "Patten's Practical Banking," and expresses his opinion of the BANKERS' MAGAZINE as follows:

"I have carefully examined the copies of the MAGAZINE I have received, and am thoroughly well pleased with it. It is ably edited, up-to-date and practical."

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5074—First National Bank, Salinas, California. Capital, $50,000.
5075—National Bank of Ashtabula, Ashtabula, Ohio. Capital, $100,000.
5076—City National Bank, Logansport, Indiana. Capital, $200,000.
5077—Nazareth National Bank, Nazareth, Pennsylvania. Capital, $50,000.
5078—National Bank of Dallas, Dallas, Texas. Capital, $100,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Shawnee, Okla.; by J. A. Mays, *et al.*
Vinita National Bank, Vinita, Indian Ter.; by Davis Hill, *et al.*
American Exchange National Bank, Cleveland, Ohio; by Richard M. Parmely, *et al.*
First National Bank, Mammoth Spring, Ark.; by H. G. King, *et al.*
Mendota National Bank, Mendota, Ill.; by Louis Waldorf, *et al.*

NEW BANKS, BANKERS, ETC.

GEORGIA.

TALLAPOOSA—F. W. Benson; capital, $2,000.

ILLINOIS.

ASSUMPTION—Illinois State Bank; capital, $25,000.

DURAND—State Bank; capital, $10,000.

VENICE—Citizens' Bank.

INDIANA.

LOGANSPORT—City National Bank; capital, $200,000; Pres., John Gray; Vice-Pres., Isaac N. Crawford; Cas., Frank R. Fowler.

PITTSBORO—Pittsboro Bank.

IOWA.

FAIRBANK—Fairbank State Bank (successor to Citizens' Bank); capital, $26,000; Pres., G. W. McNeely; Vice-Pres., Chas. Higbee; Cas., W. F. Treadwell.

GARRISON—Bank of Garrison (successor to J. B. Reeve); Pres., C. C. Griffin; Vice-Pres., Frank G. Ray; Cas., D. D. Johnson.

KEOKUK—Citizens' Bank; capital, $50,000; Pres., R. L. Boulware; Cas., M. A. Wooldridge.

KANSAS.

AUGUSTA—Geo. W. Brown & Son State Bank (successor to Geo. W. Brown & Son); capital, $10,600; Pres., Geo. W. Brown; Cas., W. E. Brown; Asst. Cas., G. S. Harrington.

LEONARDVILLE — Leonardville State Bank (successor to Bank of Leonardville); capital, $7,000; Pres., J. A. Sparks; Vice-Pres., M. Shillerston; Cas., W. Karrigan.

OSKALOOSA—Citizens' State Bank; capital, $20,000.

VALLEY FALLS—Citizens' State Bank; capital, $20,000.

LOUISIANA.

NEW IBERIA—State Bank; capital, $50,000; Pres., L. P. Patout; Vice-Pres., W. G. Weeks; Cas., J. P. Suberbielle.

MICHIGAN.

BRINTON—Agricultural Bank.

BRITTON—Exchange Bank (Maybee, Hoagland & Co.)

DECKERVILLE—State Bank; capital, $15,000; Pres., J. M. Gaige; Vice-Pres., Wm. H. Aitkin; Cas., A. M. Niles; Asst. Cas., A. R. Niles.

JASPER—A. A. Goodsell & Co.; Pres. & Cas., A. A. Goodsell; Vice-Pres., Ira Goodsell.

MINNESOTA.

FRAZEE—State Bank; capital, $10,000.

SOUTH ST. PAUL—Stock Yards Bank; capital, $25,000; Pres., R. C. Jefferson; Vice-Pres., M. D. Flower; Cas., J. J. Flanagan.

WALNUT GROVE — Walnut Grove Bank; Pres., M. C. Garlock; Cas., H. O. Garlock.

MISSOURI.

KANSAS CITY—Concordia Loan & Trust Co.; capital, $250,000.

MAYSVILLE—Exchange Bank; capital, $10,000.

ST. JAMES—Bank of St. James; capital, $10,000; Pres., S. H. Headlee; Cas., A. Brinkerhofl.

MONTANA.

GREAT FALLS—Conrad Bros.

NEBRASKA.

ATKINSON—Gallagher & Co.; capital, $6,500; Pres., Ed. F. Gallagher; Vice-Pres., T. F. Birmingham; Cas., Fred. H. Swingley.

BRADSHAW — Citizens' Bank (successor to Bradshaw Bank); capital, $10,000; Pres., L. M. Street; Vice-Pres., G. W. Kirby; Cas., C. H. Hansell.

CORDOVA—Bank of Cordova (successor to State Bank of Cordova): capital, $5,000; C. A. Pierson, proprietor.

CRETE—Crete State Bank; capital, $50,000; Pres., T. H. Miller; Cas., C. B. Anderson, Asst. Cas., Anton Dredla.

ORLEANS—Harlan County Bank (successor to First National Bank); capital, $25,000.

NEW YORK.

FAYETTEVILLE—Potter & Co.; Cas., F. F. Potter; Asst. Cas., E. R. Potter.

NEW YORK CITY—Consolidated Trust Co.; Pres., Horatio L. Olcott; Treas., Elliott Danforth; Sec., Allen R. Shaffer.——Wilson & Stephens, 41 Wall St.

NORTH CAROLINA.

KINSTON — Dime Savings Bank; Chas. F. Dunn, Prop.

OHIO.

ASHTABULA—National Bank of Ashtabula; capital, $100,000; Cas., B. B. Seymour.

GREEN SPRING—Commercial Bank; Cas., C. J. Oller.

YOUNGSTOWN--Youngstown Clearing House; Pres., Jno. C. Wick; Vice-Pres., Mason Evans; Mgr., Thos. A. Jacobs.

PENNSYLVANIA.

EBENSBURG—First National Bank (successor to Johnston, Buck & Co.); capital, $50,000; Pres., Alvin Evans; Cas., A. W. Buck; Asst. Cas., R. Scanlan.

ERIE—Citizens' Bank; capital, $25,000; Pres., C. C. Minton; Vice-Pres., Paul D. Wright; Cas., Frank D. Burns.

NAZARETH—Nazareth National Bank; capital, $50,000; Pres., Jacob H. Holt; Cas., Mark T. Swartz.

SOUTH CAROLINA.

BARNWELL—Brown Banking Co.; capital, $25,000.

SOUTH DAKOTA.

ANDOVER—Citizens' Bank; capital, $5,000; Pres., N. L. Finch.

VIBORG—Bank of Viborg; Cas., A. W. Harper.

TEXAS.

DALLAS—Nat. Bank of Dallas; capital, $100,000; Pres., E. M. Reardon; Cas., H. E. Hamilton.

GALVESTON—Hutchings, Sealy & Co. (successors to Ball, Hutchings & Co.)

LUFKIN—Citizens' Bank.

PORT ARTHUR—First Bank; Cas., Wm. H. Harwood.

TYLER—Tyler Banking Co.; Pres., E. T. Thorp; Cas., D. P. Ewing.

WASHINGTON.

ANACORTES—E. Y. Grasett & Co.; James M. Reilly, Manager.

NEW WHATCOM—E. Y. Grasett & Co.

WISCONSIN.

MAYVILLE—Mayville Exchange Bank; capital, $35,000; Pres., S. W. Lamoreux; Vice-Pres., E. Schwartz; Cas., Don Percy Lamoreux.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARKANSAS.

FAYETTEVILLE—Bank of Fayetteville; capital reduced to $50,000.

COLORADO.

ALAMOSA—First National Bank; Abe Schiffer, Pres. in place of J. L. McNeil; I. W. Schiffer, Cas. in place of Wm. F. Boyd: no Asst. Cas. in place of W. H. Mallett.

GLENWOOD SPRINGS—First National Bank; F. P. Tanner, Asst. Cas., resigned.

OURAY—Bank of Ouray; F. P. Tanner, Cas. in place of C. M. McClure.

CONNECTICUT.

MIDDLETOWN—Middletown Savings Bank; Geo. H. Harris, Asst. Treas., deceased.

NEW HAVEN—Second National Bank, Samuel Hemingway, Vice-Pres.

ROCKVILLE—First National Bank; no Vice-Pres. in place of F. L. Dickinson.

STONINGTON — First National Bank; F. P. Noyes, Pres. in place of Moses A. Pendleton, Acting Pres.

WILLIMANTIC — Willimantic Savings Institute; Eugene Lincoln, Pres. in place of Silas F. Loomer; Frank F. Webb, Vice-Pres.

DELAWARE.

DOVER—First National Bank; J. S. Collins, Cas. in place of J. H. Bateman.——Dover National Bank, resolution adopted favoring reduction of capital from $100,000 to $50,000.

DISTRICT OF COLUMBIA.

WASHINGTON — Columbia National Bank; Albert F. Fox, Pres. in place of E. Southard Parker, resigned; Chas. B. Bailey, Vice-Pres. in place of Albert F. Fox.——Central National Bank; W. W, Nairn, Asst. Cas., in place of Fred C. Giesking.——National Metropolitan Bank; Jos. E. Willard elected director.——National Safe Deposit, Savings & Trust Co.; T. R. Jones, Pres., in place of B. P. Snyder, deceased.

GEORGIA.

BRUNSWICK—National Bank of Brunswick: Geo. H. Smith, Asst. Cas.

ILLINOIS.

CHICAGO—Bank of Nova Scotia; Alex. Robertson, Mgr.; J. A. McLeod, Asst. Mgr.——Garden City Banking Trust Co.; John W. Buehler, Cas.——Commercial National Bank; Henry A. Eames, Pres., deceased.

CLINTON—De Witt County National Bank; J. F. De Land, Cas. in place of W. V. Dinsmore; no Asst. Cas. in place of J. F. De Land.

EAST ST. LOUIS—Southern Illinois National Bank; Henry D. Sexton, Vice-Pres.

FAIRFIELD—First National Bank; Edwin E. Creba, Cas. in place of F. W. Keller; Bradford Powell, Asst. Cas. in place of E. J. Briswalter.

MCLEANSBORO — Hamilton County Bank; C. G. Cloud, Pres.; Wm. P. Sloan, Vice-Pres.; Jackson Lockett, Cas.

MOUNT MORRIS—Citizens' Bank; J. L. Rice, Pres. in place of Isaac Rice, deceased.

PEORIA — Home Savings and State Bank; Henry W. Ulrich, Cas. in place of F. Trefzger.

INDIANA.

ATTICA — Citizens' National Bank; C. W. Hickman, Vice-Pres. in place of John W. Rhode.

KENTLAND—Bank of Kentland; Conklin & Rider, Props.

ROCKVILLE—Rockville National Bank; S. T. Catlin, Pres. in place of S. L. McCune; S. L. McCune, Vice-Pres.

RUSHVILLE—Rushville National Bank; J. B. Reeve, Cas. in place of Edwin Payne.

SILVER LAKE — Commercial Bank; J. C. Cavender & Co., owners.

WATERLOO — Citizens' Bank; John Leas, Pres., deceased.

INDIAN TERRITORY.

WAGONER—First National Bank; J. W. Gibson, Pres. in place of James Parkinson; T. A. Parkinson, Vice-Pres. in place of J. W. Gibson.

IOWA.

FORT DODGE—Fort Dodge National Bank; S. J. Robertson, Vice-Pres. in place of A. E. Haskell.

GRUNDY CENTRE - Grundy County National Bank; E. M. Sargent, Vice-Pres. in place of J. S. King, deceased.

KANSAS.

COLUMBUS — Columbus State Bank; C. A. Middaugh, Cas.

MOUND CITY—Citizens' Bank; James Ashbaugh, Receiver in place of G. A. Seaman.

KENTUCKY.

HARRODSBURG—First National Bank; Henry C. Bohon, Cas., deceased.

LANCASTER—National Bank of Lancaster; Alex. R. Denny, Pres. in place of W. R. Robinson, deceased; no Vice-Pres. in place of Alex. R. Denny.

LOUISVILLE—Third National Bank; voted to reduce capital from $400,000 to $300,000.

RICHMOND—Richmond National Bank; voted to reduce capital from $200,000 to $100,000. ——Madison Nat. Bank; surplus reduced from $90,C00 to $40,000.

MAINE.

CALAIS — Calais National Bank; Geo. H. Eaton, Vice-Pres. in place of W. B. King, deceased.

MARYLAND.

BALTIMORE—Stein Bros.; Meyer Stein, deceased.——National Mechanics' Bank; W. F. Lucas, director, deceased.

MASSACHUSETTS.

BOSTON—First Nat. Bank and Massachusetts Loan and Trust Co.: Isaac Fenno, director, deceased. —— Dorchester Savings Bank; Frederick L. Walker, Pres. in place of A. P. Martin.——Globe National Bank; C. E. Stevens, Vice-Pres.——Edward C. Hodges, reinstated as a member of the Stock Exchange.——National Rockland Bank; C. G. Smith, elected director in place of P. B. Smith.——Eliot Nat. Bank; Jos. H. White, Pres. in place of Wm. H. Goodwin, deceased; Albert H. Wiggin, Vice-Pres. and director.——Lincoln Nat. Bank; B. B. Perkins, Cas. in place of E. C. Whitney, deceased; no Asst. Cas. in place of B. B. Perkins.——J. Howard Keith & Co.; Jos. W. Davis, deceased.

HUDSON—Hudson National Bank; no Pres. in place of E. M. Stowe.

HYANNIS—First National Bank; Irving W. Cook, Asst. Cas.

MARLBORO—First National Bank; Timothy A. Coolidge, Pres. in place of Wm. H. Fay, deceased; Geo. N. Cate, Vice-Pres. in place of Timothy A. Coolidge.

SPRINGFIELD—Chapin Nat. Bank; Wm. F. Callender, Pres. in place of Wm. K. Baker, deceased; no Vice-Pres. in place of Wm. F. Callender.

STONEHAM—Stoneham Natiohal Bank; H. A. Jones, Asst. Cas.

WESTBORO First National Bank; C. H. Pease, Cas. in place of A. V. Harrington.

WINCHESTER—Middlesex County National Bank; Frank A. Cutting, Vice-Pres.

MICHIGAN.

BAY CITY—Commercial National Bank; James R. Watrous, Cas. in place of Louis Goeschel.

EATON RAPIDS—First National Bank; corporate existence extended until July 3, 1917.

GRAND RAPIDS—State Bank of Michigan; Marsh M. Sorrick, Cas. in place of Chas. F. Pike.

OVID—First National Bank; H. F. Harris, Cas.; no Asst. Cas. in place of H. F. Harris.

SAULT STE. MARIE—First National Bank; R. J. Crane, Vice-Pres. in place of H. W. Seymour.

MINNESOTA.

ST. CLOUD—Merchants' National Bank; Timothy Foley, Pres. in place of C. M. Hertig; C. M. Hertig, Vice-Pres. in place of A. Barto; O. H. Havill, Second Vice-Pres.; John M. Schwartz, Cas. in place of O. H.

Havill; A. H. Reinhard and Henry Thien, Asst. Cashiers.

St. Paul—St. Paul National Bank; Philip Reilly, Vice-Pres., deceased.

Windom—First National Bank; John Hutton, Vice-Pres.

MISSISSIPPI.

Jonestown—G. B. Mosley, Banker, deceased.

MISSOURI.

Carthage—First National Bank; no Vice-Pres. in place of C. L. Bartlett, deceased.

Centralia—Farmers and Merchants' Bank; Chas. W. Settle, Cas. in place of M. A. Arnold.

Hamilton—First National Bank; W. W. Anderson, Cas. in place of R. W. Cox.

Hannibal—Bank of Hannibal; D. M. Dulany, Sr., Pres., deceased.

Liberty—First National Bank; A. B. Crawford, Vice-Pres. in place of Daniel Hughes.

St. Louis—Mechanics' Bank; Thos. Rooth, director, deceased.

NEBRASKA.

Geneva—Geneva National Bank; C. S. Trotter, Cas. in place of M. R. Chittick.

Tobias—First National Bank; J. V. Ainsworth, Vice-Pres. in place of D. C. Marsh; S. F. Nunemaker, Cas. in place of J. V. Ainsworth; C. W. Nunemaker, Asst. Cas. in place of M. Jagger.

NEW JERSEY.

Montclair—Bank of Montclair; E. H. Holmes, Cas. in place of Thos. W. Stephens.

NEW YORK.

Auburn—Cayuga Co. Sav. Bank; Horace T. Cook, Pres., deceased.

Brooklyn—Manufacturers' National Bank; W. F. Garrison, Second Vice-Pres.——National City Bank; Henry M. Wells, Cas. in place of David L. Harris.——Nassau Trust Co., Andrew T. Sullivan, Pres. in place of A. D. Wheelock.——Nassau National Bank; Daniel V. B. Hegeman, Asst. Cas.

Castleton—National Bank of Castleton; James Kingman, Pres. in place of F. P. Harder, deceased; Geo. E. Barringer, Vice-Pres. in place of James Kingman.

Chester—Chester National Bank; Joseph Durland, Pres. in place of John T. Johnson, deceased.

Dobbs Ferry—Dobbs Ferry Bank; B. L. Wallace, Acting Cas. in place of Geo. C. Todd. deceased.

Ellenville—First National Bank; Chas. Vernooy, Pres., deceased.

Kingston—National Ulster County Bank; F. J. R. Clarke, Pres. in place of Chas. De Witt Bruyn, deceased; John J. Linson, Vice-Pres.

New York City—Scholle Bros.; Jacob Scholle, deceased.——Merchants' Bank of Canada; Jno. B. Harris, Jr. and T. E. Merrett, agents.——H. Knickerbacker & Co.; H. Knickerbacker, deceased; business continued under same name by Helen Knickerbacker and Robert Gibson.——Alexander Smith & Co.; dissolved.——National City Bank; Samuel Sloan and A. B. Hepburn, elected Vice-Pres.——Third National Bank; business transferred to National City Bank.——Irving National Bank; Chas. S. Brown, Vice-Pres., deceased.——National Park Bank; Joseph T. Moore, Vice-Pres., resigned.——Hotchkiss & Frank; dissolved; business continued by Frank & Cooper.——National Bank of North America; Alvah Trowbridge, Vice-Pres.; Henry Chapin, Jr., Cas., in place of Alvah Trowbridge.——Franklin National Bank; Chas. F. James, Pres., in place of Ellis H. Roberts, resigned; Edward M. Cutter, Vice-Pres., in place of Chas. F. James; Jno. H. Van Deventer, acting Cas.——Corn Exchange Bank; Wm. Rhinelander Stewart, elected director; Roswell P. Flower, elected director in place of Alex. T. Van Nest, deceased.——Hamilton Bank: Mayer Lehman, director, deceased.——Wood, Huestis & Co.; Edward H. Ladd, Jr., elected member Stock Exchange.

Peekskill—Peekskill Savings Bank; Edwin Briggs, Vice-Pres., deceased.

Port Jefferson—First National Bank; M. L. Chambers, Vice-Pres.

Salem—First National Bank: James Gibson, director, deceased.

Saranac Lake—Adirondack National Bank; William Minshull, Vice-Pres.

Skaneateles—Bank of Skaneateles; B. F. Petheram, Pres., in place of C. W. Allis; Geo. C. Durston, Cas., in place of B. F. Petheram.

Watertown—Jefferson County National Bank; John C. Knowlton, Pres. in place of T. H. Camp, deceased.

NORTH CAROLINA.

Asheville—Western Carolina Bank; Geo. S. Powell, Cas., resigned.

OHIO.

Cleveland—Garfield Savings Bank Co.; J. V. Dawes, Sec. and Treas., deceased.——First National Bank; Warren H. Corning, Vice-Pres. in place of Solon Burgess, deceased.

Columbus—Ohio National Bank; Isaac Eberly, Vice-Pres.——National Bank of Columbus; title changed to "New First National Bank of Columbus," June 15; Nicholas Schlee, Pres. in place of Wm. Monypeny; A. D. Heffner, Vice-Pres; C. R. Mayers, Cas.

Delaware—Deposit Banking Co.; R. M. Avery, Asst. Cas.

Napoleon—Citizens' Bank (successor to J. C. Saur & Co.): F. O. Blair, Cas.; J. D. Groll, Asst. Cas.

OREGON.

Joseph—First Bank: R. H. Miller, Cas. in place of J. D. McCully.

ST. HELENS—Columbia Banking Co. (erroneously reported in previous number as closed) W. J. Rice, Cas.

PENNSYLVANIA.

ALTOONA—Altoona Bank; N. C. Dern, Pres. in place of E. B. Isett.

CONNEAUTVILLE—First National Bank; M. Fitzgerald, Vice-Pres. in place of E. T. Montague, deceased.

CONSHOHOCKEN—Tradesmen's National Bank; Geo. W. Wood, Vice-Pres. in place of Jawood Lukens.

DILLSBURG—Dillsburg National Bank; D. W. Beitzel, Pres. in place of Joseph Deardorff, deceased; D. G. Bowman, Vice-Pres. in place of D. W. Beitzel.

EDENBURG—Clarion Co. Bank; E. G. Crawford, Cas., deceased.

HARRISBURG—Mechanics' Bank; Jacob C. Bomberger, Pres., deceased.

MAUCH CHUNK—Second National Bank; J. M. Dreisbach, Vice-Pres.; Geo. Dreisbach, Cas. in place of J. M. Dreisbach.

NEW CASTLE—First National Bank; John Taylor, Vice-Pres., deceased.

NORRISTOWN—Montgomery National Bank; Benj. Thomas, Vice-Pres., with authority to act as Pres. during July and August, 1897.

PHILADELPHIA—People's Bank; Henry Bumm, director, deceased.——L. H. Taylor, Jr., resumed business.——Third National Bank; Edw. C. Lilley, Asst. Cas., resigned.——Consolidation National Bank; Samuel S. Thompson, elected director in place of Jas. B. Van Dusen, deceased.——National Bank of Northern Liberties; William Gummere, director, deceased.——Centennial National Bank; H. M. Lutz, Pres. *pro tem.*

PHŒNIXVILLE—National Bank of Phœnixville; Levi B. Kaler, Pres. in place of Peter G. Carey, deceased.

PITTSBURG—West End Savings Bank; Harry S. Herschberger, Cas., in place of Wm. H. Wilson, deceased.

QUAKERTOWN—Quakertown National Bank; corporate existence extended until June 25, 1917.

SOUTH BETHLEHEM—South Bethlehem National Bank; Osman F. Reinhardt, Cas. in place of J. B. Meixell, absconded.

TENNESSEE.

JACKSON—People's Savings Bank; F. W. Adamson, Cas. in place of Hervey B. Gilmore, deceased.

TEXAS.

BEEVILLE—First National Bank; J. F. Burke, Asst. Cas.

DALLAS—City National Bank; Guy Sumpter, Vice-Pres. in place of E. M. Reardon.

GRAHAM—Beckham National Bank; Wm. D. Craig, Cas. in place of W. T. Stewart, deceased.

GRANBURY—First National Bank; Jesse Baker, Vice-Pres. in place of Gaston Cogdell.

GREENVILLE—First National Bank; T. H. King, Cas., deceased.

HILLSBORO—Farmers' National Bank; E. M. Turner, Pres. in place of J. D. Warren; S. L. Howard, Asst. Cas.

LONGVIEW - First National Bank; no Cas. in place of J. W. Yates; W. K. Eckman, Asst. Cas.

VERMONT.

NORTHFIELD — Northfield Savings Bank; Carey B. Thayer, Cas. and Treas., deceased.

VIRGINIA.

NORFOLK—Merchants and Mechanics' Savings Bank; Jno. E. Wales, Cas. in place of W. H. Wales.

RICHMOND—First National Bank; Virginius Newton, Pres. in place of A. L. Boulware, deceased; Jno. B. Purcell, Vice-Pres.——Union Bank; Virginius Newton, Pres. in place of A. L. Boulware, deceased.

WILLIAMSBURG — Peninsular Bank; M. R. Harrell, Pres. in place of R. L. Henley, deceased.

WASHINGTON.

WALLA WALLA—Farmers' National Bank; capital increased to $100,000.

WISCONSIN.

BURLINGTON—Meinhardt Bank (incorporated); capital, $25,000; Pres., Eliza Meinhardt; Vice-Pres., Albert Meinhardt; Cas., Eda Meinhardt.

DELAVAN—E. Latimer & Co.: James Aram, deceased.

HUDSON—First National Bank; D. C. Fulton, Pres. in place of J. A. Humbird; D. E. Hanna, Cas. in place of D. C. Fulton; Joseph Yoerg, Asst. Cas. in place of D. E. Hanna.

MINERAL POINT—First National Bank; C. W. McIlhon, Vice-Pres. in place of W. A. Jones.

CANADA.

MANITOBA.

CARBERRY—Union Bank of Canada; F. J. Boulton, Mgr. in place of E. G. Stewart.

DELORAINE—Union Bank of Canada; E. G. Stewart, Mgr. in place of H. F. Forrest.

NEEPAWA—Union Bank of Canada; H. F. Forrest, Mgr.

NORTHWEST TERRITORY.

REGINA—Bank of Montreal; W. H. Hogg, Mgr. in place of J. A. Paddon.

NOVA SCOTIA.

HALIFAX—Bank of Nova Scotia; John Y. Payzant, Vice-Pres. in place of Adam Burns; H. C. McLeod, Cas. in place of Thomas Fyshe.

ONTARIO.

GEORGETOWN — Bank of Hamilton; J. P. Bell, Mgr. in place of N. M. Livingston.

QUEBEC.

MONTREAL—Molsons Bank; W. M. Macpherson, Pres. in place of J. H. R. Molson, deceased. —— Merchants' Bank of Canada; Thos. Fyshe, Joint Gen. Mgr.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

HARRISON—Boone County Bank; in hands of C. J. Crump, Receiver.

ILLINOIS.

DEER CREEK—Deer Creek Bank (John M. Gentle).

KANSAS.

RANDOLPH—Exchange Bank; John H. Dow; discontinued banking.

SALINA—Salina State Bank; in volnntary liquidation.

ST. PAUL—Bank of Osage Mission; in voluntary liquidation.

WESTMORELAND—First National Bank; in voluntary liquidation April 15.

MASSACHUSETTS.

BOSTON—Hancock National Bank; in voluntary liquidation by resolution May 20.—F. R. Cordley & Co.; assigned to Chas. K. Cobb.

MICHIGAN.

FENTON—State Bank.

MISSOURI.

CARTHAGE—Jasper Co. Bank.

MONTANA.

HELENA — Merchants' National Bank; in hands of Eugene T. Wilson, Receiver, June 2.

PHILLIPSBURG—Hyde & King; reported going out of business.

NEBRASKA.

LUSHTON—First State Bank; in voluntary liquidation.

MURDOCK—Farmers' Bank; in liquidation.

ORLEANS—First National Bank; in hands of Peter O. Hedlund, Receiver, June 5.

ROSELAND—Bank of Roseland.

NEW HAMPSHIRE.

KEENE—Keene Five Cents Savings Bank; in voluntary liquidation.—Cheshire Provident Institution; in voluntary liquidation.

NEW YORK.

NEW YORK CITY—Third National Bank; in voluntary liquidation by resolution of May 20.

OHIO.

COLUMBUS—Fourth National Bank; in voluntary liquidation by resolution to take effect June 16.—Brooks, Butler & Co.

OKLAHOMA.

CHEYENNE—Wachita Valley Bank.

OREGON.

THE DALLES—The Dalles National Bank; H. S. Wilson, receiver, June 14, in place of Chas. Clary, resigned.

FOREST GROVE—Bank of Forest Grove (Anton Pfanner); assigned.

HEPPNER—National Bank of Heppner; in voluntary liquidation June 19.

PENNSYLVANIA.

ERIE—Keystone National Bank.

SOUTH DAKOTA.

PIERRE—Pierre Savings Bank; assigned to C. C. Bennett.

TEXAS.

MASON—First National Bank; suspended July 7.

VIRGINIA.

LYNCHBURG—C. T. Plunkett; assigned.

WASHINGTON.

TACOMA—Union Savings Bank and Trust Co.

WISCONSIN.

ALMA CENTER—Exchange Bank; out of business.

COBB—Edward F. Thomas; reported short in his accounts.

HIXTON - Exchange Bank; out of business.

SOUTH MILWAUKEE—South Milwaukee National Bank; in voluntary liquidation to take effect July 1.

CANADA.

ONTARIO.

PARIS—Bank of British North America; discontinued.

Money Disbursed by Railroads.

President Thomas of the Erie Railroad Company has written an article for the "Washington Post," in which he presents facts and arguments to show that the railroad legislation of the country has been unwise and inimical to a vast industry. He says that if the railroads were fairly prosperous they would distribute annually over $1,200,000,000, and in 1894 they distributed within $40,000,000 of this amount, while the Government disbursements are only about $400,000,000. The Erie railroad, with a gross income of about $30,000,000 per annum, distributes in wages to 30,000 employees over $16,000,000 annually and nearly $6,000,000 for materials. This is an average result from about 2,000 miles of the 180,000 miles of railroads in the United States. The total number of railroad employees in the United States is about 800,000, and the total average expenditure for wages over $725,000,000. At an average of five individuals to a family, there are over 4,000,000 people directly dependent on the railroads. In late years expenditures for repairs have been as much as $250,000,000 per annum, and even during these bad years the railroads are putting $70,000,000 per annum into their roadbeds, $33,000,000 into new rails and ties, and over $15,000,000 into new bridges. Fences to keep off cattle and warning signs at crossings involve an annual expenditure of $3,500,000.

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to BRADFORD RHODES & CO., 78 William Street, New York.]

INDUSTRIES AND WEALTH OF NATIONS. By MICHAEL G. MULHALL, author of "The Dictionary of Statistics." New York: Longmans, Green & Co.

This is a most comprehensive and valuable exhibit of the world's material resources and progress, so arranged as to afford comparison with different dates and also of one nation with another.

We can find space for only a few of the striking and interesting facts contained in the volume.

The author declares that the increase in the population of the civilized nations of the world in the last sixty-five years is without a parallel in the history of ancient or modern times. From 1831 to 1896 the population of these nations rose from 240,000,000 to 451,000,000, this country leading with a gain of 60,700,000, or 626 per cent., as compared with a gain of only sixty-two per cent. in Europe. In the British Colonies the increase was 9,700,000, or 510 per cent. Three special circumstances are to be noted in connection with this remarkable development of human population; first, the emigration of thirty millions of Europeans to America and Australia; second, the influx of the rural population into towns, and, third, the growing preponderance of the English language, now spoken by one hundred and twenty million people as compared with thirty-five millions in 1831.

Mr. Mulhall does not think the masses of the people are gradually sinking into a condition of hopeless despair. On the contrary he believes that men are now better housed, better fed and better clad than ever before. The use of sawdust as an ingredient of bread is no longer heard of; corvee has been abolished; the schoolmaster is a prominent feature in the social world, and except for military service and the overcrowding of the poorer classes in large cities, the aspirations of philanthropists have been in a great degree accomplished.

The rapid growth of cities and towns in the last sixty years is no less true of the United States than Europe. Thus in Europe the population of cities of over 50,000 has quadrupled, while in the United States it has multiplied twenty-three fold. In 1831 there were but four such cities in the country; in 1891 there were fifty-six, and the number of their inhabitants had risen from 510,000 to 11,700,000. Including the British Colonies with the United States and Europe the increase in cities of this description has been 470 per cent. in sixty years, while the population outside such cities has risen only seventy per cent., the former growing six and one-half times faster than the latter. Commenting on the growth of this class of cities in Europe, and allowing for the normal increase, the author concludes that in the thirty years from 1861 to 1891 ten millions of the rural population flocked into the cities. He thinks they were attracted chiefly to the cities by reason of the higher wages to be obtained there. Classifying as rural the inhabitants not living in towns of 10,000 population or upwards, the author finds that in the United Kingdom the rural population constitutes forty-five per cent. of the total; on the Continent, eighty-two per cent., and in the United States, seventy-two per cent.

The working power of the nations of Europe has trebled in the last half-century, while in the United States it has multiplied eight fold. By working power is meant the energy of a nation, contributed by human beings, horses, water, steam, electricity, etc. Taking the nations of Christendom in the aggregate, the average energy per inhabitant has more than doubled since 1840; that is to say, five men can now do as much as eleven could fifty years ago. This increase of energy is chiefly due to the development of steam, which has grown thirty-five fold in that time.

The farm products of Europe are of three times the value of those of the United States, but the average product per hand is three times as great in this country as in Europe.

The value of the product of our fishing industry exceeds that of any other nation, and the product of our forests is greater than that of all of Europe. But the forests of the United States are being rapidly destroyed, the felling of timber being seventy per cent. more than the normal growth, showing the necessity of placing a limit on the destruction of the forests.

The nineteenth century has witnessed a much greater development of manufactures than of agriculture. Some articles are produced at one-fourth of their cost in 1840, as a result of improved machinery, cheap freight and other causes.

In the year just mentioned the United States held the lowest rank as regards textiles among the four great manufacturing nations, but since that time this country has passed both France and Germany, and now rivals Great Britain.

On the subject of the production of the precious metals the author says:

"According to the tradition of the older class of bimetallists the production of silver should be sixteen times the weight of that of gold, in order to maintain the equilibrium of value between the two metals. If this principle be admitted, the production of gold since 1851 has been relatively excessive, that of silver short, the production of the latter to the former in weight having been only twelve to one. Hence, if the production of the two metals determined their value, silver ought to be now worth thirty-three per cent. more than in 1850, whereas on the contrary it has fallen fifty per cent."

This calculation leaves out the changes in the relative *cost* of producing the two metals, which is certainly an important element in determining their comparative value.

But Mr. Mulhall does not believe in the theory above propounded. He gives the stock of precious metals, coined and uncoined, at various dates approximately as follows:

	1800.	*1848.*	*1894.*
GOLD.	Tons.	Tons.	Tons.
Coined	908	1,125	5,840
Uncoined	1,822	2,450	3,460
Total	2,730	3,575	9,300
SILVER.			
Coined	42,000	45,200	92,000
Uncoined	46,000	67,800	89,000
Total	88,000	113,000	181,000

Commenting on this showing, the author says: "The stock of silver compared to gold in 1848 was as thirty-two to one, whereas at present it is less than twenty to one, and yet silver has fallen fifty per cent. in price, a sufficient proof that the relative stocks of the two metals have no perceptible connection with their value as regards one to another."

Bankers and financiers will be interested in that part of the book treating of Banks and Money. In the half a century from 1840 to 1894 banking power multiplied eleven fold, as follows (the figures representing millions of pounds sterling):

	1840.	*1894.*
Great Britain	132	960
United States	90	1,030
France	16	356
Germany	12	231
Other states	58	760
Total	308	3,337

During the same period manufactures only quadrupled and international commerce hardly increased six fold, from which it appears that banking has outstripped other branches of business in its rate of progress. From 1870 to 1890 the specie reserves of the great banks of Europe and of the United States increased from one hundred and fifty-four millions sterling to four hundred and fifty millions.

Great Britain, the richest country in Europe, and the most commercial, uses hardly one-third the sum of money per capita as is used by France, and only half the ratio in the United States.

The following table gives, in millions of pounds sterling, the internal trade of the various nations, the money, and the ratio of money to the internal commerce.

	Internal Trade.	*Money.*	*Ratio of Money.*
United Kingdom	1,619	150	9.4
France	1,201	467	39.0
Germany	1,358	238	17.6
Austria	733	119	16.2
United States	3,125	504	16.1
Canada	205	13	6.3
Australia	177	34	19.2

The United States holds foremost rank as to the amount of earnings and wealth, though the ratios of wealth to population are higher in the United Kingdom, Australia and France.

Mr. Mulhall has produced a volume that is a veritable store-house of economic information, and has arranged the text and the figures so strikingly as to lend the charm of romance to subjects that are often made tedious by unskillful handling.

Wyoming State and Private Banks.

Through the courtesy of Harry B. Henderson, State Bank Examiner, the MAGAZINE is furnished with the following statement of the condition of the State and private banks of Wyoming at the close of business on May 14.

RESOURCES.	*State banks.*	*Private banks.*	*Total.*
Loans and discounts	$190,823	$542,550	$733,373
Warrants, stocks and bonds	11,198	13,464	24,662
Overdrafts	5,751	22,922	28,673
Banking house	6,813	18,268	25,081
Furniture and fixtures	5,369	2,419	7,788
Other real estate and property	1,789	10,539	12,328
Expenses and taxes paid	3,539	6,213	9,752
Due from banks and bankers	68,679	153,785	222,464
Checks and cash items	4,610	3,601	8,211
Specie, legal tenders and National bank notes	11,823	59,015	70,838
Total	$310,397	$837,780	$1,148,177
LIABILITIES.			
Capital stock	$72,000	$168,516	$240,516
Surplus	28,000	500	28,500
Undivided profits	13,559	11,395	24,954
Deposits subject to check	119,529	329,172	448,701
Demand certificates of deposit	14,328	9,071	23,399
Time certificates of deposit	62,980	302,783	365,763
Due other banks and bankers	......	5,190	5,190
Rediscounts and bills payable	......	11,150	11,150
Total	$310,397	$837,780	$1,148,177

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, July 3, 1897.

THE TURN OF THE TIDE in the direction of more prosperous times is shown by the transactions in Wall Street. It is a long time since any one looked in that direction for any sign indicative of favorable weather, but for more than a month past the New York Stock Exchange has been showing unmistakable evidences of the approach of prosperity. The turn of a stock or the change in a quotation is not an infallible index, but when for weeks the values of stocks and bonds go on advancing with scarcely the suggestion of a reaction at any time, it is a safe statement that the buying of securities comes from quarters where the business situation is understood and appreciated. It will take time for every industry to get into a state of healthy activity, but the first steps in that direction have been pretty generally taken, and the sentiment is growing rapidly that the worst is over and the best right ahead.

The rise in securities dealt in at the Stock Exchange has been exceptional, and the professional element in the "street" has tried to halt it for a while, but without any apparent success. Reactions in speculations are always to be expected and frequently are beneficial, but a genuine bull market is not an easy thing to control when it has fairly started. The general view is that the recent advance is not ephemeral, but prices will move to higher levels even if temporary setbacks should be witnessed. The extent of the advance is shown in the following list of some of the leading stocks and bonds, giving the total increase in prices, comparing the highest in June with the lowest in May:

STOCKS.

	Per cent.		*Per cent.*
Central New Jersey	17⅞	Louisville and Nashville	9⅛
Chicago, Burlington and Quincy	13	Metropolitan Traction	11¼
Chicago, Milwaukee and St. Paul	11⅛	Oregon Navigation, preferred	13⅛
Chicago and Northwestern	15⅛	Pittsburg, Ft. Wayne and Chicago	16
Chicago, Rock Island and Pacific	14⅜	Rio Grande Western, preferred	19⅛
Chicago, Union Pacific, Mo. and Omaha	10	St. Louis and San Francisco, 1st pref	12⅜
Delaware and Hudson	8⅝	Pullman Palace Car Company	12⅛
Delaware, Lackawanna and Western	11⅛	Western Union Telegraph	9⅝
Lake Shore	14⅜	American Sugar Refiners	17⅞

BONDS.

	Per cent.		*Per cent.*
Central New Jersey, gen. gold 5's	7¾	Peoria, Dec. and Evansville, 1st g. 6's	7
Milwaukee and St. Paul, 1st 7's gold	8⅛	St. Joseph & Grand Island, 1st 6's tr. ctfs.	9
Hocking Valley, con. g. 5's tr. ctfs	9	St. Louis and San Francisco, gen. 4's	7⅜
Ft. Worth and Denver City, 1st g. 4-6's	11	Texas and Pacific, 2 g. inc. 5's	8⅝
Internat. and Gt. Northern, 3d gold 4's	12	Toledo, Peoria and Western, 1st gold 4's.	10
Lehigh Valley, N. Y., 1st gold 4½'s	7	Toledo, St. L. & Kans. City, 1st g. 6's rec.	12¼
L'ville, N. Alb. & Chic., con. g. 6's tr. ctfs.	10⅛	Kansas Pacific, 1st con. 6's tr. rec	7¾
Missouri, Kansas and Texas, 2d gold 4's	7¾	Oregon, St. Louis & U. N., g. 5's tr. ctfs.	11⅝
Missouri Pacific, 1st consol. g. 6's	15⅛	Utah Southern, gen. 7's tr. rec	7⅜
" 1st coll. g. 5's	18	Wabash, 2d gold 5's	7⅛
Iron Mountain, gen. con. lg. 5's	12¾	Detroit Gas, con. 1st g. 5's	11
New York, Susque. & Western, gen. g. 5's.	8⅛	Peoria, Gas L. & C., 1st consol. g. 6's	8⅛
Northern Pacific Term. Co., 1st. g. 6's	7	Tenn. C. & I., Birm. Division, 1st con. 6's.	9

The advances in securities during the month were accompanied by an activity in business such as has not been witnessed at the Stock Exchange in a long time. The sales of stock aggregated nearly 6,500,000 shares, an increase of 50 per cent. as compared with those of June last year. This is an average of less than 300,000 shares per day, while in the past active markets have recorded daily sales of 500,000 to 600,000 shares, but it is not very long ago that the daily transactions were only from 100,000 to 150,000 shares. The sales of railroad bonds in June aggregated in par value about $45,000,000, as compared with less than $25,000,000 in June, 1896. It is apparent, therefore, that there is an appearance of prosperity at least in Wall Street, and the evidences certainly point to a continued improvement and to the realization at last of the hopes long entertained of better times in financial circles.

The money question is inevitably bound up in every question involving business improvement. The bugaboo of tight money is usually the first thing that threatens the peace of mind of the optimist when everything seems to be going as he desires. The evil for some years past has been rather too much than too little money, but if conditions are now to arise which will call for an increased use of money, it is satisfactory to know that at present there seems to be plenty in sight. The resources of our banking institutions are exceptionally large. It is a fact which seems to have escaped general observation that the deposits of the New York Clearing-House banks are now larger than ever before recorded. The same is true as to the amount of loans of those institutions. In the following table we show the highest totals of loans, deposits, specie, legal tenders, reserves and surplus reserves for each of the past eight years:

YEAR.	*Loans.*	*Deposits.*	*Specie.*	*Legal tenders.*	*Reserves.*	*Surplus reserves.*
1890.............	$419,710,000	$431,599 600	$90,056,000	$32,726,000	$121,565,000	$15,081,650
1891.............	429,255,000	455,306,800	96,392,000	54,145,000	138,206,000	24,089,775
1892.............	496,564,000	543,668,100	118,192,000	64,795,000	164,046,000	36,020,900
1893.............	464,910,200	506,437,800	106,316,400	101,108,200	207,424,600	80,815,150
1894.............	507,733,500	595,104,900	129,558,900	130,487,500	249,575,100	111,623,000
1895.............	522,698,900	577,223,800	82,268,900	119,833,500	186,040,800	45,880,450
1896.............	487,673,300	525,837,200	77,500,900	92,727,400	165,769,200	40,182,425
1897.............	582,707,900	604,983,700	90,496,600	120,296,600	200,968,300	59,148,250

The loans never reached $500,000,000 until in 1894, and now are nearly $583,000,000; the deposits never reached $600,000,000 until now, and are nearly $5,000,000 in excess of that figure. The specie reserves are larger than in either 1895 or 1896, while the legal-tender reserve (now $102,000,000) is larger than in any year since 1890 excepting 1894 and 1895. The total reserve (now $192,600,000) is also larger than in any previous year included in the table, excepting 1893 and 1894. The surplus reserve at present is smaller than the maximum figures of 1893, 1894 and 1895, but larger than for the other years. While the situation as far as regards the local banking interests is favorable to an increased activity in general business, some interest is still felt in the relations of the money supply to the demand. While there has been a considerable expansion of the circulating medium in the past year it is also true that there has been a rapid contraction during the past few months. Since March 1, nearly $30,000,000 has been taken out of the circulation, and the circulation per capita has been reduced from $23.14 to $22.57. In the event of the Government collecting surplus revenues the tendency will be toward a further reduction in the volume of money in use. The net increase for the year was $186,000,000. The supply of money and its location on July 1 of each of the past eight years is shown as follows:

JULY 1.	*In circulation.*	*In U. S. Treasury.*	*Total.*	*Circulation per capita.*
1890	$1,429,496,191	$255,892,905	$1,685,389,096	$22.82
1891	1,499,726,795	176,459,302	1,676,186,097	23.41
1892	1,603,073,338	147,906,092	1,750,979,430	24.44
1893	1,593,726,411	138,520,092	1,732,246,503	23.85
1894	1,664,061,232	141,787,882	1,805,849,114	24.28
1895	1,604,131,968	214,950,703	1,819,082,671	22.93
1896	1,509,725,200	288,679,727	1,798,404,927	21.15
1897	1,646,028,246	261,341,453	1,907,369,699	22.57

The largest amount of money in circulation at any time was in February, 1894, when the total was about $1,740,000,000 or nearly $100,000,000 more than it is at present. Still the supply of money both in and out of the Treasury is very near the maximum records and should be ample enough to support a considerable increase in business and industrial activity.

The crop conditions are now an important factor in all calculations regarding the future prosperity of the country and these are at present in the main favorable. The estimates of condition on June 1, made by the Department of Agriculture, promise a good yield of wheat and the weather during the month since has been highly favorable. The June 1 condition of spring and winter wheat and estimated acreage and yield of both these crops since 1892 are shown as follows:

YEAR.	*Condition.*		*Total area.*	*Total yield.*
	Spring.	Winter.	Acres.	Bushels.
1892	92.3	75.5	38,554,430	515,949,000
1893	86.4	83.2	34,629,418	396,132,000
1894	88.0	71.1	34,882,436	460,267,000
1895	97.8	77.9	34,047,332	467,103,000
1896	99.9	80.2	34,678,646	427,684,000
1897	89.6	78.5	*34,569,000	*446,900,000

* Estimate by statistician of New York Produce Exchange.

The probable yield of wheat this year has been estimated at much higher figures than those given above and estimates of more than 550,000,000 bushels have been published. It is generally conceded that the estimates for each of the years prior to 1897 have all been considerably below the actual figures, as much as 225,000,000 bushels for the five years 1892 to 1896 inclusive. Favorable reports are coming forward concerning corn, which had a backward start, but is rapidly improving under the influence of warm weather. Cotton is also beginning to experience the beneficial effects of the overflow of the Mississippi which at one time imperilled its chances. A hopeful view is also taken of the future of prices as it is believed that the foreign demand for our products will be large during the coming twelve months.

That the cheerful sentiment now beginning to manifest itself in business circles is more largely due to the hope of improvement to come than to the experience of benefits already realized is undoubtedly true, but there are logical reasons for the hope. Take the single industry of railroad construction: Only about 600 miles of track were laid in the United States in the first six months of 1897, the smallest total reported since 1875; but the construction work now under way justifies the expectation that the year's total will reach 2,000 miles. In the iron trade generally there are visible signs of improvement, although the disposition is to go ahead slowly and not to attempt to discount the future to any great extent. In the copper trade there is this favorable fact to note, that the exports in June were the largest for any single month since our mines began to produce, excepting only December, 1896, and September, 1893, the total in June being 12,709 tons.

Our export trade presents many encouraging features. The totals for June have not yet been compiled, but in the month of May the exports of manufactures reached the total of $26,457,442, the largest ever recorded. For the eleven months ended May 31 the aggregate is $250,480,370, and for the full year will no doubt exceed $270,000,000.

Our total exports of merchandise for the fiscal year ended June 30 have exceeded those of any previous year. For the eleven months to May 31 they were valued at $977,691,730, exceeding those of any entire fiscal year excepting only 1892. Estimating the exports in June at $70,000,000, or nearly $8,000,000 less than in May, the total for the year will be about $1,047,000,000. The imports for the eleven months were $679.511,071, and for the year were probably about $750,000,000. These figures compare with those of previous years as follows:

Year.	*Exports of manufactures.*	*Total exports of merchandise.*	*Imports of merchandise.*
1890	$151,142,376	$857,828,684	$789,310,409
1891	168,927,315	884,480,810	844,916,196
1892	158,510,937	1,030,278,148	827,402,462
1893	158,023,118	847,665,194	866,400.922
1894	183,728,808	892,140,572	654,994,622
1895	183,595,743	807,538,165	731,969,965
1896	228,489,893	882,606,938	779,724,674
*1897	270,000,000	1,047,000,000	750,000,000

* June estimated.

In no previous year have the exports equalled those of the fiscal year just ended; the imports have fallen off, but latterly have increased, and with good times again in vogue may be expected to resume their former volume.

The business failures in the United States during the first six months of 1897, as reported by "Dun's Review," show some improvement compared with the corresponding period of 1896, the total being 6,821, with liabilities of $91,682,787, in 1897, and 7,026, with liabilities of $97,869,682, in 1896. The failure of the cotton mills at New Bedford, Mass., greatly swelled the totals for April, but in June the "Review" states that the aggregate was smaller than in either of the three previous years.

One unfavorable event of the month is the declaration of a strike among the bituminous coal miners, ordered to go into effect on July 3. The strike is to enforce a demand for an increase of wages and involves the mines in the Pittsburg district of Western Pennsylvania, in West Virginia, Ohio, Indiana, Illinois and Kentucky. Some 250,000 men are employed in these mines, but it is not yet determined whether all will obey the summons to quit work. Should a general strike ensue the effect will be disastrous while it continues.

The Money Market.—There are some indications of improvement in the money market, but they are principally in the shape of inquiries from southern banks concerning rediscounts to be made later on in connection with the moving of the cotton crop. Money has been coming from the West in payment of loans, and until the grain crops are moving freely the demand from that quarter is not expected to be large. Late in the month call money stiffened up a little partly because of the usual July 1 disbursements and partly on account of large payments for duties for which the banks were drawn upon. The rates generally ruled between 1 and 1¼ per cent., with a few loans just before the close of the month at 2 per cent. There has been little done in time loans, while the supply of commercial paper was much below the demand. At the close of the month call money ruled at 1 to 2 per cent, the average rate being about 1¼ per cent. Time money on Stock Exchange collateral was quoted at 2 per cent. for 60 to 90 days, 2½ per cent. for four to five months, and 3 per cent. for six to seven months. For commercial paper the rates are 3 @ 3¾ per cent. for 60 to 90 days endorsed bills receivable, 3¼ @ 4 per cent. for first-class four to six months single names, and 4 @ 4½ per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	Feb. 1.	Mar. 1.	April 1.	May 1.	June 1.	July 1.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1½–2	1½–1¾	1½–2	1¼– 1¾	1¼–1½	1 –2
Call loans, banks and trust companies	1½	1½–2	1½–2	1¼– 2	1¼–1½	1 –2
Brokers' loans on collateral, 30 to 60 days	2	2	2	2 –	2 –	2 –
Brokers' loans on collateral, 90 days to 4 months	2½	2½–3	2½–3	2½–	2½–	2 –2½
Brokers' loans on collateral, 5 to 7 months	3	3 –3½	3½	3 –	3 –	2½–3
Commercial paper, endorsed bills receivable, 60 to 90 days	3	3	3½–	3½–	3½–	3 –3¾
Commercial paper prime single names, 4 to 6 months	3 –3½	3½–4	3¾–4	3¾– 4½	3¾–4½	3¼–4
Commercial paper, good single names, 4 to 6 months	4 –5	4 –5	4 –5	4½– 5½	4½–5	4 –4½

EUROPEAN BANKS.—Nearly all the principal European banks gained gold last month but the Austro-Hungarian Bank alone made any appreciable gain, that institution now holding $11,000,000 more than it did a month ago. The Bank of England gained less than $2,000,000 and the Bank of France about $3,500,000. Compared with a year ago the Bank of England has lost $58,000,000 and the Bank of France nearly $10,000,000, while the Bank of Germany has gained nearly $10,000,000 and the Bank of Austria-Hungary $43,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		June 1, 1897.		July 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,158,899	....	£36,531,749	....	£36,880,503	....
France	76,584,590	£49,130,797	79,016,984	£49,148,651	79,715,480	£49,289,880
Germany	28,505,450	14,252,750	30,762,000	15,696,000	30,8 0,000	15,902,009
Austro-Hungary	30,340,000	12,578,000	33,698,000	12,632,000	35,944,000	12,681,000
Spain	8,528,000	10,210,000	8,649,000	10,501,000	8,919,000	10,891,009
Netherlands	2,684,000	6,841,000	2,630,000	6,932,000	2,631,000	7,067,000
Nat. Belgium	2,736,667	1,368,333	2,791,333	1,395,667	2,726,667	1,363,333
Totals	£183,487,606	£94,380,880	£194,079,066	£96,305,318	£197,686,650	£97,164,193

FOREIGN EXCHANGE.—There was no important change in the sterling exchange market, and the demands for remittance offsets the supply of bills against grain and specie exports, etc. A few bills were issued against future shipments of grain. About $7,000,000 of gold was exported during the month but latterly the gold shipments ceased, but it is expected that July remittances for dividends, interest, etc., will call for further exports.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling. 60 days.	Bankers' Sterling. Sight.	Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
June 5	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85¼ @ 4.85½	4.84¾ @ 4.85
" 12	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85¼ @ 4.85½	4.84¾ @ 4.85
" 19	4.86¼ @ 4.86½	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85¾ @ 4.86	4.85¼ @ 4.85½
" 26	4.86¼ @ 4.86½	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85¾ @ 4.86	4.85¼ @ 4.85½
July 3	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85¼ @ 4.85½	4.84¾ @ 4.85

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Mar. 1.	*April 1.*	*May 1.*	*June 1.*	*July 1.*
Sterling Bankers—60 days	4.85 — ¼	4.85¾ — 6	4.86¼ — ½	4.86 — ¼	4.85¾ — 6
" " Sight	4.87 — ¼	4.87¼ —	4.87½ — ¾	4.87 — ¼	4.87 — ¾
" " Cables	4.87¼ — ½	4.87¾ —	4.87¾ — 8	4.87¼ — ½	4.87¼ — ½
" Commercial long	4.84¼ — ¾	4.84¾ — 5	4.85¾ — 6	4.85 — ¼	4.85¼ — ½
" Docu'tary for paym't.	4.83¾ — 4½	4.84½ — 5	4.85¼ — ½	4.84¾ — 5¼	4.84¾ — 5
Paris—Cable transfers	5.16¼ — ⅛	5.15⅝ —	5.14⅜ —	5.15 — 4⅜	5.15 — 4⅜
" Bankers' 60 days	5.18¾ — ⅛	5.18⅛ — 7½	5.16⅞ — ¼	5.16⅞ —	5.16⅞ —
" Bankers' sight	5.16⅞ — ¼	5.16¼ — 5⅝	5.15 1/16 — 4⅞	5.15 1/16 — 5	5.15 1/16 — 5
Antwerp—Commercial 60 days.	5.21¼ — 20⅝	5.20 — 19⅜	5.19⅜ — 8¾	5.19⅜ — 8⅞	5.19⅜ — 8¾
Swiss—Bankers' sight	5.19⅜ —	5.18¾ — ⅛	95⅜ — ¾	5.17½ — 6⅞	5.17½ —
Berlin—Bankers' 60 days	95⅜ — 7/16	95 1/16 — ⅛	5.18¾ — ¾	95 1/16 — ¼	95¼ — 5/16
" Bankers' sight	95⅝ —	95 3/16 — ⅝	95⅜ — ¾	95 3/16 — ⅝	95 11/16 — ¾
Brussels—Bankers' sight	5.17½ — 6⅞	5.16¼ —	5.15⅝ — 1/16	5.15⅝ —	5.15⅝ —
Amsterdam—Bankers' sight	40¼ — 5/16	40¼ — 5/16	40⅜ — 7/16	40 5/16 — ⅜	40 5/16 — ⅜
Kronors—Bankers' sight	26⅞ — 15/16	27 — 27 1/16	27 — 1/16	26 15/16 — 27	27 — 1/16
Italian lire—sight	5.46⅛ — 4⅜	5.43¼ — 1¼	5.42¾ — 40¾	5.40⅝ — 37½	5.38⅛ — 5⅞

Bank of England Statement and London Markets.

	Mar. 17, 1897.	*Apr. 14, 1897.*	*May 12, 1897.*	*June 16, 1897.*
Circulation (exc. b'k post bills)	£25,899,170	£27,839,865	£27,409,295	£27,287,840
Public deposits	16,835,294	10,945,120	10,188,734	11,260,076
Other deposits	38,540,872	38,817,957	39,446,125	38,936,166
Government securities	14,387,833	13,842,586	13,842,586	13,948,356
Other securities	28,911,575	28,451,585	28,052,106	28,230,650
Reserve of notes and coin	30,581,375	25,357,948	25,611,289	25,833,011
Coin and bullion	39,680,545	36,397,813	36,220,584	36,320,851
Reserve to liabilities	55%	50¾%	51⅝%	51 5/16%
Bank rate of discount	3%	2½%	2%	2%
Market rate, 3 months' bills	1½%	1¾ @ 1¼%	⅞ @ 15/16%	15/16%
Price of Consols (2¾ per cents.)	111⅞	112 1/16	113⅜	112 13/16
Price of silver per ounce	28 9/16d.	28 7/16d.	27¾d.	27 9/16d.
Average price of wheat	27s. 11d.	27s. 10d.	28s. 4d.	27s. 4d.

Money Rates Abroad.—The rates of discount of the principal European banks remain unchanged. Discounts of 60 to 90 day bills in London at the close of the month were ⅞@ 1 per cent., a decline of ⅛ for the month. The open market rate at Paris was 1⅞ per cent., an advance of ⅛; at Berlin 2⅝ per cent., an advance of ¼, and at Frankfort, 2⅝ per cent., an advance of ⅛.

Money Rates in Foreign Markets.

	Jan. 15.	*Feb. 12.*	*Mar. 19.*	*Apr. 16.*	*May. 14.*	*June 18.*
London—Bank rate of discount	4	3	3	2½	2	2
Market rates of discount:						
60 days bankers' drafts	2 11/16	1⅝	1⅜ — ½	1¼	⅞	⅞
6 months bankers' drafts	2⅞	1⅞	1½	1¼ — 5/16	1⅛ — ¼	1 3/16 — ¼
Loans—Day to day	2½	1½	1½	¾	½	½
Paris, open market rates	1⅞	1¾	1¾	1¾	1¾	1¾
Berlin, "	3⅛	2¾	3⅛	2⅝	2¼	2¾
Hamburg, "	3½	2¾	3⅛	2½	2¼	2¾
Frankfort, "	3½	2¾	3⅝	2½	2⅝	2⅞
Amsterdam, "	2⅞	2⅝	2	2½	2½	1⅞
Vienna, "	3⅝	3⅝	3⅝	3¾	3½	3½
St. Petersburg, "	6	5¾	5¼	5¾	5¾	5¾
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4	4	4	4	4½	4½

Silver.—The London silver market has been very quiet throughout the month with some tendency toward lower quotations. A new low record was made on June 10, the price touching 27½d. which is the lowest since February, 1895. Subsequently the price recovered to 27¾, but closed at 27 9-16, a net decline of 1-16 for the month.

Monthly Range of Silver in London—1895, 1896, 1897.

Month.	1895.		1896.		1897.		Month.	1895.		1896.		1897.	
	High	Low.	High	Low.	High	Low.		High	Low.	High	Low.	High	Low.
January..	27 7/16	27 3/16	30 1/2	30 7/8	29 13/16	29 11/16	July......	30 5/8	30 1/4	31 5/8	31 3/8		
February	27 11/16	27 1/4	31 1/16	30 3/4	29 3/4	29 11/16	August ..	30 9/16	30 1/4	31 3/8	30 5/8		
March....	30 1/4	27 5/8	31 11/16	31 1/8	29 5/8	28 3/16	Septemb'r	30 3/16	30 1/16	30 11/16	30		
April.....	30 7/8	29 7/8	31 3/16	30 11/16	28 5/8	28 3/16	October..	31 5/8	30 5/8	30 3/16	29 3/4		
May......	30 7/8	30 3/16	31 3/16	30 13/16	28 1/16	27 5/8	Novemb'r	31	30 5/8	30 3/16	29 3/4		
June.....	30 11/16	30 1/8	31 5/16	31 5/16	27 3/4	27 1/8	Decemb'r	30 11/16	30	30	29 11/16		

Coin and Bullion Quotations.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

Foreign and Domestic Coin and Bullion—Quotations in New York.

	Bid.	Asked.		Bid.	Asked.
Trade dollars..................	$ .65	......	Twenty marks..................	$4.77	$4.80
Mexican dollars................	.47 1/4	$ .48 1/4	Spanish doubloons.............	15.50	15.70
Peruvian soles, Chilian pesos..	.44	.46	Spanish 25 pesos..............	4.78	4.82
English silver.................	4.85	4.88	Mexican doubloons.............	15.50	15.70
Victoria sovereigns............	4.86	4.89	Mexican 20 pesos..............	19.50	19.60
Five francs....................	.93	.96	Ten guilders..................	3.95	3.99
Twenty francs..................	3.85	3.88			

Fine gold bars on the first of this month were at par to 1/4 per cent. premium on the Mint value. Bar silver in London, 27 1/8d. per ounce. New York market for large commercial silver bars, 60 1/8 @ 60 3/4c. Fine silver (Government assay), 60 1/4 @ 61c.

Gold and Silver Coinage.—The United States Mints coined in June $2,100,-547.50 gold, $1,856,754.15 silver and $175,051.63 minor coin. The Government also minted $306,140 of coin for San Domingo.

Coinage of the United Seates.

	1896.		1897.	
	Gold.	Silver.	Gold.	Silver.
January..........	$12,914,600	$65,000	$7,803,420	$1,964,800
February..........	1,240,000	1,500,000	10,152,000	1,519,794
March..........	1,540,555	1,683,531	13,770,900	1,617,654
April..........	1,500,000	1,831,000	8,800,400	1,535,000
May..........	2,857,200	1,826,490	4,489,950	1,600,000
June..........	2,471,217	1,950,693	2,100,547	1,856,754
July..........	2,918,200	1,092,000		
August..........	3,315,600	2,686,000		
September..........	3,140,923	2,754,185		
October..........	5,727,500	2,844,010		
November..........	5,064,700	2,305,022		
December..........	4,363,165	2,551,968		
Year..........	$47,052,561	$23,089,899	$47,117,217	$10,094,002

New York City Banks.—There have been extraordinary changes in the condition of the clearing-house banks during the past month, as reflected by their weekly statements. Loans have increased net $25,000,000 and deposits $29,000,000.

New York City Banks—Condition at Close of each Week.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
June 5...	$511,918,700	$89,310,900	$101,323,700	$581,255,100	$45,820,825	$14,322,300	$517,857,000
" 12...	513,728,700	89,267,800	104,611,300	585,110,500	47,601,475	14,251,500	589,049,300
" 19...	518,550,800	90,050,200	106,472,800	592,528,200	48,390,950	13,992,700	606,429,600
" 26...	521,661,600	90,400,200	108,112,600	597,094,600	49,239,150	13,870,900	537,998,200
July 3...	532,707,900	90,496,600	102,134,200	604,983,790	41,384,875	13,781,200	761,721,700

The surplus reserve, after increasing $2,600,000, declined nearly $8,000,000 in the last week, leaving that item $5,000,000 less than it was a month ago. The cash reserves increased about $1,000,000, the gain being about equally divided between specie and legal tenders. Loans and deposits are each larger than ever before reported.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	*1895.* Deposits.	*1895.* Surplus Reserve.	*1896.* Deposits.	*1896.* Surplus Reserve.	*1897.* Deposits.	*1897.* Surplus Reserve.
January	$549,291,400	$35,268,850	$501,089,300	$15,969,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150	578,769,300	57,520,975
April.........	504,240,200	18,413,450	481,795,700	17,005,975	569,226,500	47,666,575
May...........	526,998,100	27,288,575	495,004,100	22,944,275	576,863,900	48,917,625
June..........	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July..........	570,436,800	34,225,925	499,046,900	20,828,275	604,983,700	41,384,875
August........	574,304,500	40,917,175	485,014,000	17,728,600		
September....	574,929,900	39,149,925	451,934,800	8,836,200		
October.......	549,186,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,618,300	490,634,300	31,411,625		

Deposits reached the highest amount, $604,983,700 on July 3, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
May 29........	$170,961,000	$164,858,000	$10,857,000	$7,944,000	$7,988,000	$87,028,400
June 5........	170,372,000	166,434,000	10,117,000	7,626,000	8,008,000	84,176,800
" 12........	171,886,000	170,238,000	10,406,000	7,633,000	8,026,000	98,444,800
" 19........	173,920,000	173,858,000	10,959,000	7,750,000	8,112,000	96,896,300
" 26........	175,552,000	174,719,000	11,153,000	7,918,000	7,961,000	98,183,800

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
May 29....................	$111,369,000	$118,696,000	$37,384,000	$6,861,000	$45,013,400
June 5....................	111,963,000	119,282,000	37,019,000	6,791,000	67,154,900
" 12....................	112,207,000	118,871,000	36,310,000	6,865,000	52,339,500
" 19....................	112,046,000	118,970,000	36,279,000	6,792,000	60,079,900
" 26....................	111,504,000	118,239,000	36,454,000	6,806,000	57,810,600

GOVERNMENT REVENUES AND DISBURSEMENTS.—The Government closed its fiscal year with a surplus for June larger than for any previous month in years, more than $10,000,000, which reduces the deficit for the year ended June 30 to only about $22,000,000, which compares with more than $28,000,000 in 1896, $46,000,000 in 1895, and $72,000,000 in 1894. The receipts in June increased nearly $4,000,000 over those of May, customs showing a gain of $2,400,000, and internal revenues of $1,600,000. The revenues were $5,000,000 larger than in June, 1896. In the four months since March 1 the receipts from customs were $88,000,000, as against only $43,500,000 in the four months prior to March 1, and $47,000,000 in the four months ended June 30, 1896.

United States Treasury Receipts and Expenditures.

Receipts. Source.	June, 1897.	Since July 1, 1896.	Expenditures. Source.	June, 1897.	Since July 1, 1896.
Customs	$19,285,056	$174,041,296	Civil and mis	$5,487,000	$90,524,251
Internal revenue	12,208,138	145,557,317	War	2,870,000	48,931,226
Miscellaneous	1,724,401	24,214,002	Navy	3,377,000	34,369,765
			Indians	905,000	13,029,309
			Pensions	10,041,000	141,054,936
Total	$33,212,595	$343,812,615	Interest	296,000	37,939,654
Excess of expenditures	*$10,236,595	$22,036,526	Total	$22,976,000	$365,849,141

* Excess of receipts.

United States Treasury Cash Resources.

	Mar. 31.	Apr. 30.	May 29.	June 30.
Net gold	$151,834,895	$153,354,638	$144,261,249	$140,754,114
Net silver	19,868,501	21,414,112	24,728,126	31,102,856
U. S. notes	23,248,271	27,841,708	32,409,910	35,761,622
Miscellaneous assets (less current liabilities)	9,546,326	11,746,928	13,293,268	12,508,172
Deposits in National banks	16,450,076	16,776,302	17,300,952	17,330,985
Available cash balance	$220,947,569	$231,133,684	$231,993,500	$237,452,199

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	33,212,595	22,036,526	*140,754,114
July	29,029,209	42,088,468	110,718,746			
August	25,562,097	35,701,676	100,957,561			
September	24,584,244	26,579,535	124,034,672			
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

National Bank Circulation.—There was a decrease in bank circulation in June of $454,025, which leaves a net increase for the fiscal year ended June 3 of

National Bank Circulation.

	Mar. 31, 1897.	Apr. 30, 1897.	May 31, 1897.	June 30, 1897.
Total amount outstanding	$233,708,894	$232,802,244	$231,790,151	$231,356,126
Circulation based on U. S. bonds	209,767,702	208,768,549	207,139,381	206,695,228
Circulation secured by lawful money	23,941,192	24,033,695	24,650 770	24,665,788
U. S. bonds to secure circulation:				
Four per cents. of 1895	35,890,550	35,397,550	33,495,050	32,833,550
Pacific RR. bonds, 6 per cent	8,586,000	8,578,000	8,673,000	8,837,000
Funded loan of 1891, 2 per cent	22,487,950	22,318,650	22,347,900	22,168,900
" " 1907, 4 per cent	151,222,500	150,978,750	150,918,250	150,903,750
Five per cents. of 1894	15,506,350	15,481,350	15,481,350	15,728,350
Total	$233,693,350	$232,749,300	$230,915,550	$230,471,550

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,580,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,285,500; 4 per cents of 1907, $12,105,000; 5 per cents. of 1894, $585,000, a total of $16,930,500.

The circulation of National gold banks, not included in the above statement, is $85,580.

$5,438.166. The bonds deposited to secure circulation were reduced nearly $500,000 in the month, and the decrease in circulation based on bonds is $444,155. There was a slight increase, about $15,000, in the amount of lawful money deposited to retire circulation, the total amount now being $24,665,788.

MONEY IN THE UNITED STATES TREASURY.—While the Treasury holds $4,500,000 less cash than it did a month ago, it retired $12,000,000 of certificates and Treasury notes from circulation, and the net cash therefore shows an increase of $7,500,000 for the month. There was a loss of about $4,000,000 of gold, however, but the Government still has about $3,000,000 more than on January 1 last.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*May 1, 1897.*	*June 1, 1897.*	*July 1, 1897.*
Gold coin	$120,638,598	$157,976,832	$155,167,732	$152,529,575
Gold bullion	54,565,385	82,786,057	26,539,659	25,547,062
Silver Dollars	384,584,572	395,842,193	397,511,546	399,998,540
Silver bullion	110,815,247	106,990,150	106,042,492	104,591,089
Subsidiary silver	14,215,766	16,163,767	16,210,920	16,210,844
United States notes	85,313,258	96,942,880	97,832,318	98,097,438
National bank notes	14,278,970	8,676,050	7,109,698	5,080,919
Total	$784,411,796	$816,877,929	$806,414,360	$801,998,937
Certificates and Treasury notes, 1890, outstanding	529,044,460	563,334,565	552,583,043	540,657,484
Net cash in Treasury	$255,367,336	$253,543,364	$253,831,317	$261,341,453

MONEY IN CIRCULATION.—There was a reduction in the volume of money in circulation last month of $15,350,273, the loss being distributed between all the various classes of currency excepting National bank notes in which there is an increase of $1,600,000. Nearly $4,500,000 of silver certificates, $2,700,000 of Treasury notes and $4,655,000 of currency certificates were retired from circulation. The following statement shows the amounts of the various kinds of money in circulation on the dates named, the estimated population and the per capita circulation.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897.	*May 1, 1897.*	*June 1, 1897.*	*July 1, 1897.*
Gold coin	$517,743.229	$517,321,596	$520,221,923	$519,146,675
Silver dollars	58,581,819	58,776,448	58,007,095	52,001,202
Subsidiary silver	62,101,986	60,177,704	60,306,988	59,228,540
Gold certificates	37,887,489	37,421,999	37,887,829	37,285,919
Silver certificates	356,655,800	363,753,989	362,768,808	358,836,368
Treasury notes, Act July 14, 1890	84,171,221	92,253,627	86,641,406	83,905,197
United States notes	261,367,758	247,738,136	248,848,708	248,583,578
Currency certificates, Act June 8, 1872	50,330,000	69,905,000	65,785,000	61,130,000
National bank notes	221,384,148	224,211,984	224,766,143	226,410,767
Total	$1,650,223.400	$1,666,560,383	1,659,733,895	$1,646,028,246
Population of United States	72,159,000	72,677,000	72,807,000	72,937,000
Circulation per capita	$22.87	$22.93	$22.80	$22.57

THE SUPPLY OF MONEY IN THE COUNTRY.—The total supply of money in the country was further reduced last month $6,000,000, making a loss in two months of nearly $18,000,000. The loss in gold is $5,000,000 for June and $11,000,000 since May 1.

UNITED STATES PUBLIC DEBT.—By an increase of $10,000,000 in the cash balance in the United States Treasury a decrease in the net public debt is shown to that extent for the month of June. There is very little change in the items of the debt except a reduction of $5,000,000 in certificates and Treasury notes offset by cash in the Treasury. Since April 1 the net debt has been reduced $17,000,000.

United States Public Debt.

	Jan. 1, 1897.	May 1, 1897.	June 1, 1897.	July 1, 1897.
Interest bearing debt:				
Funded loan of 1891, 2 per cent.........	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,639,850	559,639,850	559,640,100
Refunding certificates, 4 per cent......	45,890	45,280	45,280	45,130
Loan of 1904, 5 per cent.................	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt...........	$847,364,690	$847,365,030	$847,365,030	$847,365,130
Debt on which interest has ceased... ...	1,383,070	1,353,830	1,348,510	1,346,880
Debt bearing no interest:				
Legal tender and old demand notes.....	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct..	18,876,333	23,991,184	24,459,719	24,458,637
Fractional currency.....................	6,890,504	6,889,241	6,889,241	6,887,702
Total non-interest bearing debt......	$372,502,201	$377,615,789	$378,084,324	$378,081,702
Total interest and non-interest debt.	1,221,249,961	1,226,334,619	1,226,797,864	1,226,793,712
Certificates and notes offset by cash in the treasury:				
Gold certificates.........................	39,279,789	38,939,689	38,848,169	38,782,169
Silver "	370,883,504	377,531,504	374,345,504	375,479,504
Certificates of deposit..................	50,830,000	71,940,000	66,565,000	61,750,000
Treasury notes of 1890	119,816,280	116,696,280	115,782,280	114,867,280
Total certificates and notes...........	$580,809,573	$605,107,473	$595,535,953	$590,878,953
Aggregate debt	1,802,059,534	1,831,442,122	1,822,333,817	1,817,672,665
Cash in the Treasury:				
Total cash assets	853,463,551	876,746,655	867,496,826	871,389,358
Demand liabilities.......................	625,143,172	648,656,138	637,383,014	631,251,732
Balance	$228,320,379	$228,090,517	$230,113,812	$240,137,626
Gold reserve.............................	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance........................	128,320,379	128,090,517	130,113,812	140,137,626
Total	$228,320,379	$228,090,517	$230,113,812	$240,137,626
Total debt, less cash in the Treasury.	992,929,582	998,244,102	996,684,052	986,656,086

Foreign Trade Movements.—The imports of merchandise in May reached the extraordinary total of $79,321,827, or $21,000,000 more than in the corresponding month of last year. The exports were also exceptionally large, aggregating $77,762,484, an increase over 1896 of $11,000,000. In no recent year has the volume of exports and imports in May equalled the figures here shown. The slight excess of imports for the month keeps the net exports for the eleven months of the fiscal year below $300,000,000, but they are nearly $206,000,000 more than in 1896. We exported $8,906.753 gold coin and bullion in May and imported $387,858 gold ore. The exports of silver coin and bullion were $3,570,638, while we imported $1,977,880 silver ore. For the eleven months we gained by importation $51,000,000 of gold in all forms, and exported net $29,000,000 of silver.

The following table shows the movements of merchandise, gold and silver for the month and eleven months ended May 31 for the past six years.

Exports and Imports of United States.

Month of May.	Merchandise.			Gold Balance.	Silver Balance.
	Exports.	Imports.	Balance.		
1892..................	$69,703,479	$68,696,171	Exp., $1,007,308	Exp., $3,263,063	Exp., $416,735
1893..................	68,955,348	75,955,234	Imp., 6,999,886	" 15,205,760	" 1,298,258
1894..................	60,997,684	56,160,352	Exp., 4,837,332	" 23,124,058	" 2,994,177
1895..................	64,267,179	66,028,854	Imp., 1,761,675	Imp., 3,271,193	" 3,798,786
1896..................	66,568,263	57,260,859	Exp., 9,307,404	Exp., 18,499,415	" 4,594,798
1897..................	77,762,484	79,321,827	Imp., 1,559,343	" 8,906,753	" 3,570,638
Eleven Months.					
1892..................	965,389,811	755,385,894	Exp., 210,003,917	Imp., 16,139,604	Exp., 11,590,308
1893..................	782,218,625	796,706,378	Imp., 14,487,753	Exp., 85,804,919	" 15,118,783
1894..................	834,404,722	596,496,207	Exp., 237,908,515	Imp., 17,847,930	" 34,558,272
1895..................	752,570,835	670,307,921	" 82,262,414	Exp., 32,948,199	" 34,547,565
1896..................	815,901,067	723,540,934	" 92,340,133	" 74,511,252	" 43,484,879
1897..................	977,691,730	679,511,071	" 298,180,659	Imp., 48,270,938	" 45,918,320

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of June, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		June, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	9⅛—Apr. 19	13	11⅛	12⅝
" preferred	28⅛	14½	25¾—Jan. 30	17 —Apr. 19	25⅛	22½	24⅝
Atlantic & Pacific	1	⅜	½—Jan. 14	⅛—Apr. 7	....	....	....
Baltimore & Ohio	44	10⅛	18 —Jan. 8	9⅛—June 4	11¼	9⅛	10⅝
Bay State Gas	33	7	15⅝—June 25	7¾—Apr. 17	15⅝	8¼	13½
Brooklyn Rapid Transit	25⅛	18	29⅝—June 29	18⅝—Jan. 7	29⅝	20	27⅞
Canadian Pacific	62¾	52	64 —June 28	46½—Mar. 29	64	59	64
Canada Southern	51¾	40¾	51⅞—Mar. 17	44⅛—Jan. 13	51½	48¼	49¾
Central of New Jersey	110	87½	108¼—Jan. 19	68¼—May 24	85⅝	72½	84½
Central Pacific	16⅛	13⅛	15 —Jan. 5	7½—Apr. 20	10½	10	10½
Ches. & Ohio vtg. ctfs	18⅛	11	18⅛—Mar. 15	15⅝—Mar. 29	18¼	16¼	17½
Chicago & Alton	164	146	170 —Mar. 1	151 —May 7	153½	153½	153½
Chicago, Burl. & Quincy	83¾	53	85 —June 29	69⅝—Jan. 5	85	77¼	83⅝
Chicago & E. Illinois	43	37⅛	45 —Mar. 13	37¼—June 7	44	37¼	44
" preferred	100½	90	101 —June 26	95 —Feb. 8	101	98	100
Chicago Gas	78¾	44⅝	96⅝—June 29	73¼—Jan. 5	96⅝	88½	94¼
Chic., Milwaukee & St. Paul	80	59⅞	83¼—June 28	69¼—Apr. 19	83¼	76⅛	82½
" preferred	131	117½	139⅞—June 29	130½—May 6	139⅞	133⅝	139½
Chicago & Northwestern	106¼	85⅛	118¼—June 25	101¾—Apr. 19	118¼	107½	116½
" preferred	152	140¼	161 —June 25	153 —Jan. 12	161	156	161
Chicago, Rock I. & Pacific	74⅞	49¼	76⅝—June 28	60¼—Apr. 19	76⅝	66¼	74⅛
Chic., St. Paul, Minn. & Om	49¾	30⅛	65 —June 29	47 —Jan. 2	65	57¾	63¾
" preferred	133	117	145 —June 25	138 —Jan. 7	145	143	145
Clev., Cin., Chic. & St. Louis	39½	19⅛	33⅝—Mar. 17	21⅛—June 1	25¼	21½	24⅝
" preferred	90½	73	80 —May 6	63 —June 16	70	63	65
Col. Coal & Iron Devel. Co.	4⅛	¼	1¼—June 18	⅛—Jan. 29	1¼	⅛	1¼
Col. Fuel & Iron Co.	34¼	14⅝	27 —Jan. 19	15¾—May 11	20½	16	17½
Col. Hocking Val. & Tol	20½	12⅛	18 —Jan. 8	1½—Apr. 30	3½	2¼	3⅜
" preferred	60	48	46 —Jan. 21	40 —Jan. 21	....	....	....
Consolidated Gas Co.	168	133	168½—June 18	136½—Jan. 2	168½	158½	166¾
Delaware & Hud. Canal Co.	129⅝	114⅛	121¾—Jan. 6	99⅝—Apr. 1	110¾	103¼	110⅛
Delaware, Lack. & Western	166	138	158 —June 23	146½—May 20	158	146¾	158
Denver & Rio Grande	14	10	12¼—Jan. 19	9¼—Apr. 20	11⅛	11	11
" preferred	51	37	43⅞—Feb. 21	36 —Apr. 20	43	39	43
Edison Elec. Illum. Co., N. Y.	101½	89	117 —June 7	101¾—Jan. 2	117	115⅛	115¾
Erie	17¾	10¼	15¼—Jan. 18	11½—Apr. 19	15¼	12⅞	14⅞
" 1st pref	41¾	27	35½—Jan. 18	27 —Apr. 19	34⅛	31¼	34⅛
" 2d pref	25	13	21 —Jan. 15	15⅛—May 24	20	17	19⅛
Evansville & Terre Haute	34½	24	21 —June 2	20 —June 8	21	20	20
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	152	148½	151
" American	116	105	114½—May 27	109½—Jan. 28	114	112	113¼
" United States	48	35	41 —Apr. 30	37 - Feb. 3	40½	39¼	40½
" Wells, Fargo	101	80	107 —June 5	97 —Jan. 2	107	105	105
Great Northern, preferred	122	108¼	122 —Feb. 5	120 —Jan. 16	....	....	....
Illinois Central	98	84½	98½—June 28	91½—Apr. 19	98½	96¾	98
Iowa Central	10¼	5½	8½—June 18	6 —Apr. 15	8½	6½	8½
" preferred	38	19	29 —June 23	23 —June 8	29	23	29
Laclede Gas	30	17	25 —Jan. 18	22 —May 4	24¾	22½	24¼
" preferred	86¼	68¼	83½—May 25	70¼—Mar. 23	82	80	82
Lake Erie & Western	22½	12⅛	18½—Jan. 18	13½—Apr. 12	15¾	13⅞	14¾
" preferred	75	55½	70¼—Jan. 20	58¼—Apr. 1	69⅞	61	69¼
Lake Shore	156	134¾	175 —June 22	152 —Jan. 2	175	168	174
Long Island	84	40½	55 —Jan. 8	40 —June 10	44	40	44
Louisville & Nashville	55⅝	37½	52½ - Jan. 19	40½—Apr. 19	52½	46⅛	50½
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	½—June 23	¼—Jan. 11	½	⅜	½
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	94 —Jan. 18	81¾—May 7	90	84½	89¼
Metropolitan Traction	114	79¼	110⅞—Jan. 6	99⅝—May 3	110⅞	107	109½
Michigan Central	97⅞	89	101 —June 29	90 —Jan. 28	101	99	101
Minneapolis & St. Louis	21¾	12	20½—June 29	16 —May 14	20½	19	20½
" 1st pref	83	54	81¼—June 22	77¾—Mar. 18	81¼	81	81¼
" 2d pref	53½	30	53 —June 29	46 —Feb. 26	53	47¾	51
Missouri, Kan. & Tex	14¾	9⅛	14½—Jan. 18	10 —Apr. 19	13¼	11⅝	13
" preferred	31⅛	16	32¼—Mar. 18	24¾—Apr. 19	32¼	28¾	31⅛

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		June, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	24¼—Jan. 18	10 —May 6	20¼	14¾	19⅝
Mobile & Ohio	25	14	23½—Jan. 12	18 —June 8	20¾	18	20¾
N. Y. Cent. & Hudson River	99¾	88	103½—June 28	92½—Feb. 18	103½	99¾	101¾
N. Y. Chicago & St. Louis	15	9	14½—Mar. 15	11 —Feb. 11	13¾	13	13½
1st preferred	80	67½	75 —Mar. 17	67⅝—Apr. 15	....	....	....
2d preferred	35⅝	20	34⅞—Mar. 17	24 —Feb. 10	34⅞	28	32¾
N. Y., New Haven & Hartf'd.	186	160	178 —Jan. 4	160 —Feb. 2	174½	166	173¼
N. Y., Ontario & Western	16⅝	11⅛	15⅝—Jan. 18	12¾—Apr. 19	15⅞	14	15½
N. Y., Sus. & Western	12	6	10⅞—June 21	6½—May 28	10⅞	6¾	9⅝
preferred	31¼	12	28 —June 18	18¼—May 20	28	20¾	27⅝
Norfolk & Western	12¾	⅛	14¼—Mar. 11	9 —Apr. 19	11¾	11	11¼
preferred	19⅝	4⅛	30¼—June 11	17 —Feb. 16	30¼	27¾	29⅝
North American Co	6½	3½	5 —Jan. 18	3⅝—Apr. 20	4¼	3⅞	4⅛
Northern Pacific tr. receipts.	16⅞	¼	16⅝—Feb. 1	11 —Apr. 19	15½	13	14
pref tr. receipts	36	10	43⅝—June 14	32⅛—Jan. 5	43⅝	38⅛	40
Oregon Railway & Nav	24	10	21¼—June 23	10 —Apr. 20	21¼	16	20
preferred	40¼	35	56½—June 9	37⅞—Jan. 8	56½	47⅝	54½
Oregon Short Line	18⅛	8⅛	17½—June 30	10⅞—Mar. 30	17½	11¼	17½
Pacific Mail	31	15¼	30½—June 24	24 —Jan. 9	30½	26¾	30
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan. 8	¼—June 2	½	¼	¼
Pitts., Cin. Chic. & St. Louis	18¼	11	14 —Jan. 21	11½—Mar. 29	13½	11¾	13
preferred	50	40⅛	50 —Feb. 1	44½—June 25	46	44⅛	44⅛
Pullman Palace Car Co	164	138	169½—June 29	152 —Jan. 2	169½	159	168
Reading Voting Tr. ctfs	....	....	23⅛—June 29	16¼—Apr. 19	23⅛	19¼	22⅝
1st prefered	....	....	48 —June 29	38½—Apr. 19	48	42	47⅝
2d preferred	....	....	28⅛—June 29	22½—Apr. 19	28⅛	25⅝	27½
Rome, Wat. Ogdens' g	118	108	119 —Jan. 18	117 —Jan. 26	119	117½	118½
St. Louis & San Francisco	5⅝	4	6 —June 14	4 —Apr. 19	6	4⅞	5¼
1st preferred	37	34¼	50⅛—June 18	37 —Jan. 29	50⅛	44	46⅝
2d preferred	14⅛	12	17½—June 15	12 —Apr. 15	17½	15	16⅝
St. Louis & Southwestern	5¾	2⅞	4¾—Jan. 18	1 —Apr. 1	3¾	2⅞	3½
preferred	18	6½	11½—Jan. 18	8⅛—Apr. 1	9⅞	8⅝	9⅞
St. Paul & Duluth	27⅛	15	22⅝—June 16	20 —Jan. 4	22⅝	20	22
preferred	91	75	87 —Feb. 8	75 —Apr. 20	80	75	75
St. Paul, Minn. & Manitoba	115	105	118 —Mar. 3	114 —Jan. 28	....	....	....
Southern Pacific Co	22½	14	15¾—Jan. 18	13⅛—Jan. 13	15½	14¼	15
Southern Railway	11¾	6⅛	10 —Jan. 16	7 —Apr. 19	9⅞	8⅛	9¼
preferred	33¼	15½	30⅛—June 29	22⅞—Mar. 19	30½	26⅝	29½
Tennessee Coal & Iron Co	34¾	13	31 —Jan. 18	17 —May 20	25⅞	18⅛	24⅞
Texas & Pacific	12	5	11 —June 28	8 —Apr. 1	11	9⅛	10½
Union Pacific trust receipts	12½	3⅞	10 —Jan. 5	4⅛—Apr. 19	8	5⅝	6⅛
Union Pac., Denver & Gulf	5½	1⅛	2⅛—Jan. 6	1 —Apr. 24	2¼	1½	2
Wabash R. R	8	4⅛	7⅛—Jan. 16	4⅝—Mar. 29	6⅛	5¼	5⅞
preferred	19¾	11	17⅛—Jan. 18	11½—Apr. 19	15¾	13⅛	15½
Western Union	90¼	72¾	86⅛—Mar. 16	77¼—Apr. 30	85	78¾	84¼
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	½—June 1	1	½	¾
preferred	40¾	20⅝	29 —Jan. 5	2⅝—Apr. 15	3⅛	3½	3½
Wisconsin Central	4⅜	1⅜	2⅛—Jan. 6	1 —June 3	1½	1	1⅛
"Industrial"	Stocks:						
American Co. Oil Co	19	8	15 —June 15	9⅛—May 28	15	10⅛	14¼
preferred	68⅞	37	63 —June 24	52¼—Feb. 16	63	55	63
American Spirits Mfg Co	14⅞	4½	14⅛—Jan. 19	9¼—Apr. 23	12¼	9¾	12
preferred	33¼	14¾	34⅞—Mar. 15	26 —Jan. 5	31¾	27	31¼
American Sugar Ref. Co	126⅝	95	130 —June 29	109⅛—Mar. 29	130	115	126⅞
preferred	104	92¼	108½—June 29	100¼—Jan. 7	108½	104⅛	108
American Tobacco Co	95	51	79¾—June 29	67½—Feb. 15	79¾	71½	77⅛
preferred	106	95	109 —June 23	100 —Feb. 11	109	105⅝	109
General Electric Co	39⅛	20	36¼—Feb. 2	28⅝—May 19	35	30⅝	34
National Lead Co	28⅝	16	31⅜—June 29	21⅞—Feb. 16	31⅜	28⅛	29⅝
preferred	92¾	75	99½—June 30	88⅝—Feb. 13	99½	94¼	99
National Linseed Oil Co	21¼	11⅛	15 —Jan. 19	10 —May 17	15	10½	15
National Starch Manfg. Co	7¾	4¾	5¾—June 21	3 —May 5	5¾	3	5
Standard Rope & Twine Co	12⅛	3⅛	11¾—Jan. 19	3½—June 29	7⅛	3⅛	5⅛
U. S. Leather Co	11⅞	5⅛	9⅝—Jan. 19	6⅛—Apr. 19	8	6⅛	7½
preferred	69⅛	41½	64 —Jan. 19	50⅛—Apr. 29	60	55	58¾
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 8	18½	10	12
preferred	89	65	76⅞—Jan. 5	55 —June 8	62½	55	56¾

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	80½	June 29,'97	80½	79	148,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	106,915,000	A & O	84¾	June 30,'97	85	82	2,617,000
" adjustment, g. 4's	1995	51,728,000	NOV	50½	June 30,'97	51	48¼	4,219,000
" Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	90½	Feb. 25,'97	....	....	....
Atlan. & Pac. 2d W. d. g. g. s. f. 6's	1907	5,500,000	M & S	92	July 23,'90	....	....	....
" Western div. inc	1910	10,500,000	A & O	⅛	Apr. 20,'97	....	....	....
" div. small	1910		A & O	10	Mar. 17,'93	....	....	....
" Central div. inc	1922	1,811,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	110	May 13,'97	....	....	....
" 5's, gold	1885–1925	4,956,000	F & A	80	June 3,'97	80	80	14,000
" registered			F & A	75	May 27,'97	....	....	....
" eng. ctfs of deposit		5,044,000	......	91	Mar. 25,'97	....	....	....
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	90	May 27,'97	....	....	....
" registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s,	1993	10,483,000	J & J	60	June 9,'97	60	60	1,000
" 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
" "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	97½	June 22,'97	97½	97½	2,000
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
" coupons off		....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	106	June 15,'97	106	106	10,000
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	119	June 30,'97	119½	118	60,000
" registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	115¼	June 18,'97	116	115¾	12,000
Brooklyn Elevated 1st g. 6s's,	1924	465,000	A & O	75½	June 25,'97	75½	75½	7,000
" eng. Trust Co. ctfs		3,035,000	......	74¾	June 25,'97	75	74½	38,000
" 2d g. 5's	1915	123,000	J & J	43	June 19,'97	43	43	1,000
" eng. Tr. Co. ctfs		1,126,000	......	....	....	....	....	....
Seaside & Bkln Bdge 1st g. g. 5's.	1942	120,000	J & J	80	Mar. 31,'96	....	....	....
" eng. Tr. Co. ctfs		1,245,000	......	....	....	....	....	....
Union Elevated 1st gtd. g. 6's	1937	936,000	M & N	75	June 23,'97	75	75	5,000
" eng. Tr. Co. ctfs		5,212,000	......	74½	June 24,'97	75	74	46,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	83¼	June 30,'97	84	72	918,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	97⅞	June 22,'97	98	97½	66,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	127	June 25,'97	127	126	2,000
" cons. 1st 6's,	1922	3,920,000	J & D	118	June 1,'97	118	118	1,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	106⅛	June 30,'97	106⅛	105	31,000
" con. 1st & col. tst 5's	1934	6,425,000	A & O	105½	June 30,'97	105½	103	3,000
" registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g,	1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
• 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	113	June 24,'97	113⅛	111¾	42,000
• 2d mortg. 5's	1913	5,100,000	M & S	108	June 29,'97	108	106	10,000
• registered			M & S	106½	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	93	Apr. 23,'97	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	114½	June 30,'97	114½	113	175,000
• registered $1,000 & $5,000			F & A	....		....	....	....
• con. g. 5's	1945	16,500,600	M & N	90⅝	June 30,'97	91	86½	82,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
• 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	34	June 30,'97	34½	28	201,000
• registered			OCT 1	....		....	....	....
• 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	11	June 30,'97	11	8	80,000
• registered			OCT 1	....		....	....	....
• 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	5	June 18,'97	5⅝	5	10,000
• registered			OCT 1	....		....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	94½	June 16,'97	94½	92	50,000
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	97	June 21,'97	97	95½	82,000
Central Railroad of New Jersey,								
• 1st consolidated 7's	1899	3,836,000	Q J	106⅝	June 26,'97	106⅝	106⅝	3,000
• convertible 7's	1902	1,167,000	M & N	113¼	June 19,'97	118¼	118¼	1,000
• deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
• gen. mtg. 5's	1987	41,604,000	J & J	113½	June 29,'97	113½	108⅞	292,000
• registered			Q J	108¾	June 25,'97	109½	106½	184,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	97	June 29,'97	98½	95	27,000
• mortgage 5's	1912	2,887,000	M & N	78	June 22,'97	78	78	1,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	116	June 7,'97	116	116	1,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	104¼	June 24,'97	104¼	103	13,000
• ext g 5s series A B C D	1898	5,598,000	J & J	108¼	June 28,'97	108¼	108¼	1,000
• ext g 5's series E	1898	3,210,000	J & J	102½	June 10,'97	102½	102½	10,000
• San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	102½	102½	1,000
• gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
• land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	....
• Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	June 16,'97	103	103	16,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
• 50 year m. gg. 5's	1938	4,800,000	A & O	88	June 23,'97	88	88	32,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	108½	Mar. 1,'97	....	....	....
• 6's, g., Series A	1908	2,000,000	A & O	120½	June 29,'97	121½	120½	7,000
• Mortgage gold 6's	1911	2,000,000	A & O	121½	June 10,'97	121¾	120½	15,000
• 1st con. g. 5's	1939	23,571,000	M & N	111½	June 28,'97	111½	110	187,000
• registered			M & N	107½	May 3,'97	....	....	....
• Gen. m. g. 4½'s	1992	21,806,000	M & S	77¼	June 30,'97	77⅝	73½	698,000
• registered			M & S	85	Dec. 30,'93	....	....	....
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	104	June 29,'97	104	102½	43,000
• 2d con. g. 4's	1989	1,000,000	J & J	104	June 30,'97	94	93½	14,000
• Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
• Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	101½	June 29,'97	101½	100	24,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
• 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	110¼	May 13,'97	....	....	....
• 2d 7's	1900	300,000	M & N	112	June 17,'96	112	112	1,000
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	105	June 30,'97	105	104½	12,000
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	120¼	June 18,'97	120½	119½	75,000
• 5's, sinking fund	1901	2,315,000	A & O	103½	June 12,'97	103½	103½	5,000
• 5's, debentures	1913	9,000,000	M & N	102	June 30,'97	102½	100	55,000
• convertible 5's	1903	15,263,900	M & S	104¾	June 25,'97	104¾	103¾	79,000
• (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	109	109	4,000
• 4's	1919	7,571,000	A & O	100½	June 30,'97	100½	100	22,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
• Denver div. 4's..........	1922	6,141,000	F & A	97⅛	June 25,'97	97⅛	95⅝	3,000
• 4's........................	1921	3,300,000	M & S	88¾	Nov. 6,'96	....	....	....
• Chic. & Iowa div. 5's....	1905	2,820,000	F & A	107⅛	Jan. 18,'96	....	....	....
• Nebraska extensi'n 4's,	1927	26,411,000	M & N	92¼	June 30,'97	92⅛	91¼	133,000
• registered..................			M & N	89⅝	Feb. 10,'97	....	....	....
• Han. & St. Jos. con. 6's,	1911	8,000,000	M & S	121¼	June 22,'97	121¼	120⅛	15,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,969,000	J & D	115	Apr. 15,'97	....	....	....
• small bonds.................			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold ..	1934	2,653,000	A & O	126	June 28,'97	126	126	3,000
• gen. con. 1st 5's.........	1937	9,767,000	M & N	102	June 29,'97	102	99¼	261,000
• registered..................			M & N	99½	May 14,'96	100⅛	100⅛	5,000
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	100⅛	June 29,'96	....	....	....
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D..	1898	3,674,000	F & A	106⅛	June 28,'97	106⅝	105⅝	98,000
• 2d 7 3-10 P. D..........	1898	766,000	F & A	137¾	June 24,'97	137¾	135½	26,000
• 1st 7's $ gold, R. div...	1902	8,736,500	J&J	139⅛	June 26,'97	139⅛	132½	12,000
• 1st 7's £..................	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & M. 7's..	1897	333,000	J & J	131¼	Apr. 28,'97	....	....	....
• 1st m. Iowa & D. 7's...	1899	421,000	J & J	139⅛	June 30,'97	139⅛	138⅛	13,000
• 1st m. C. & M. 7's......	1903	2,391,000	J & J	135	June 4,'97	135	135	15,000
Chicago Mil. & St. Paul con. 7's,	1905	11,297,000	J & J	139¾	June 30,'97	139¾	134¼	278,000
• 1st 7's, Iowa & D, ex,	1908	3,505,000	J & J	137½	June 17,'97	137½	136½	10,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	120⅛	June 30,'97	120⅛	119½	13,000
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	118	June 2,'97	118	118	1,000
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	120¼	June 30,'97	120¼	120	3,000
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	130¾	June 24,'97	130¾	130¾	10,000
• 5's..........................	1910	990,000	J & J	110	June 19,'97	110	110	6,000
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	121¼	June 25,'97	121½	121¼	6,000
• 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	117¾	June 30,'97	117¾	116½	42,000
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	113	June 4,'97	113	112¾	16,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	109	June 3,'97	109	109	5,000
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	114	June 24,'97	114	114	2,000
• Wis. & Min. div. 5's...	1921	4,755,000	J & J	115	June 30,'97	115	113¾	17,000
• terminal 5's...........	1914	4,748,000	J & J	115	June 30,'97	115	114	24,000
• Far. & So. 6's assu.....	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
• mtg. con. si'k. f'd 5's,	1916	1,680,000	J & J	106½	May 4,'97	....	....	....
• Dakota & Gt. S. 5's...	1916	2,856,000	J & J	112¼	May 25,'97	....	....	....
• g. m. g. 4's, series A...	1989	19,010,000	J & J	103¼	June 30,'94	103¼	102⅝	40,000
• registered..................		....	Q J	94⅛	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	118	June 22,'97	118	118	1,000
• 1st convt. 6's..........	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
C. & N.P.U.S.Tr.Co.cts.1st g. 5's..	1940	11,465,000	A & O	43⅛	June 30,'96	43⅛	41⅛	749,000
C. Tm. Tns. U. S. Tr. Co. cfs of prop.		14,488,000	......	....		....	....	....
Chic. & Northwestern cons. 7's..	1915	12,771,000	Q F	146⅛	June 26,'97	146⅛	145⅛	15,000
• coupon gold 7's........	1902	12,336,000	J & D	117	June 15,'97	117½	117	10,000
• registered d. gold 7's .	1902		J & D	116⅛	June 7,'97	117½	116⅛	16,000
• sinking fund 6's..	1879–1929	5,591,000	A & O	117⅛	June 22,'97	117⅛	117¼	39,000
• registered..................			A & O	117¾	Mar. 11,'97	....	....	....
• 5's.................	1879–1929	7,237,000	A & O	111	June 28,'97	112	111	15,000
• registered..................			A & O	106	Apr. 5,'97	....	....	....
• debenture 5's..........	1933	9,800,000	M & N	117	June 25,'97	117	114⅛	9,000
• registered..................			M & N	112⅛	May 7,'97	....	....	....
• 25 year deben. 5's.....	1909	6,000,000	M & N	110	June 25,'97	110	109	27,000
• registered..................			M & N	104	May 15,'96	....	....	....
• 30 year deben. 5's.....	1921	9,800,000	A & O	112⅛	June 28,'97	112⅛	112	3,000
• registered..................			A & O	107	Nov. 20,'95	....	....	....
• extension 4's.....	1886–1926	18,632,000	F A 15	104¼	June 22,'97	104⅛	103¾	7,000
• registered..................			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's..	1901	720,000	J & J	107⅛	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's....	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's..	1898	1,700,000	J & J	106	June 14,'97	106	106	7,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's........	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's,	1921	5,000,000	M & N	133⅝	June 25,'97	133¾	131	34,000
• con. deb. 5's...........	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	115⅛	June 28,'97	115⅛	115	8,000
• Michigan div. 1st 6's..	1924	1,281,000	J & J	130	May 28,'97	....	....	....
• Ashland div. 1st 6's....	1925	1,000,000	M & S	131	June 18,'97	131	131	15,000
• income....................		500,000	M & N	105	July 28,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,100,000	J & J	134	June 19,'97	134	134	5,000
• 6's registered.........	1917		J & J	130¾	Apr. 30,'97	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
• exten. and collat. 5's	1934	40,381,000	J & J	108	June 30,'97	108	105¼	461,000
• registered			J & J	105½	June 9,'97	105½	105½	5,000
• debenture 5's	1921	4,500,000	M & S	101	June 30,'97	101½	97⅞	104,000
• registered		....	M & S	....		....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	88½	June 12,'96	....	....	....
• 1st 2½'s	1905	1,200,000	J & J	64	June 22,'97	64	64	1,000
• extension 4 s		672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	104½	June 17,'97	104½	104½	2,000
• small bond	1923	....	A & O	100	Apr. 15,'97	....	....	....
Chic., St. P., Minn. & Oma. con. 6's	1930	13,413,000	J & D	132¾	June 28,'97	133¾	130½	82,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	130	June 8,'97	130	130	5,000
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	June 30,'97	131½	131	10,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,149,000	M & N	106	June 22,'97	106	106	2,000
• gen'l mortg. g. 6's	1932	9,652,666	Q M	117	Apr. 6,'97	....	....	....
Chic. & West Michigan R'y 5's	1921	5,758,000	J & D	98½	Mar. 13,'96	....	....	....
• coupons off		....	......	....		....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96	....	....	....
• 2d g. 4½'s	1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	108	May 28,'97	....	....	....
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A	....		....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.	1917	2,000,000	......	68	June 21,'97	68	68	7,000
Clev., Cin., Chic. & St. L. gen. m. 4's	1993	7,574,000	J & D	86	May 25,'95	....	....	....
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	89	Apr. 15,'97	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	95	June 25,'97	95¾	94¾	36,000
• registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89½	Apr. 15,'97	....	....	....
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,685,000	Q F	101¾	Jnne 8,'97	101¾	101	5,000
• registered				95	Nov. 15,'94	....	....	....
• con. 6's	1920	788,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	113	Apr. 22,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	72	June 29,'97	73	68	39,000
• income 4's	1990	4,000,000	A	10	Feb. 27,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd.	1899	3,000,000	M & N	106⅝	June 29,'97	106⅝	106¼	17,000
• consol mortg. 7's	1914	3,991,000	J & D	133½	June 29,'97	133½	133	4,000
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
• gen. consol 6's	1934	3,205,000	J & J	127¾	May 14,'97	....	....	....
• registered			J & J	....		....	....	....
Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	106	May 4,'97	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	100	June 29,'97	100	100	47,000
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	103	Apr. 14,'97	....	....	....
• registered			Q J	....		....	....	....
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92	....	....	....
• gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col. Midld Tr. Co. ctfs. 1st g. 6's asst.	1936	5,615,000	J & D	62½	June 29,'97	62½	59½	99,000
• Tr. Co. cfs. cn. g. 4's stm gtd.	1940	988,000	F & A	21	June 6,'96	....	....	....
• • assented		3,900,000	......	5	June 28,'97	7½	5	63,000
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M & S	118½	June 30,'97	118¾	117	110,000
• registered			M & S	....		....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	783,000	M & S	68½	May 5,'97	....	....	....
• J. P. M. & Co. eng certf.		7,267,000	......	75½	June 30,'97	75½	66½	208,000
• gen. mort. g. 6's	1904	2,000,000	J & D	50	June 17,'97	50	50	1,000
• gen. lien g. 4's	1996	852,000	J & J	....		....	....	....
• registered, $5,000			J & J	....		....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	144	June 7,'97	144	144	3,000
• bonds, 7's	1900	281,000	J & J	111½	May 17,'97	....	....	....
• 7's	1871-1901	4,991,000	A & O	118½	May 26,'97	....	....	....
• 1st c. gtd 7's	1915	12,151,000	J & D	142½	June 7,'97	142⅞	142	118,000
• registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	138¼	May 21,'97	....	....	....
• const. 5's	1923	5,000,000	F & A	116¾	June 15,'97	116¾	116¾	1,000
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	146½	June 24,'97	....	....	....
• reg	1917		M & S	143	May 4,'96	146½	146½	2,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JUNE SALES. *High.*	JUNE SALES. *Low.*	JUNE SALES. *Total.*
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	122¼	May 22,'97	....	....	....
" registered			A & O	128½	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	118	June 14,'97	118⅛	118	2,000
" registered			A & O	116½	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	146½	June 22,'97	146½	146½	1,000
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	....		....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....		....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	918,000	J & J	....		....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	89⅝	June 29,'97	90	88	68,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	110	June 7,'97	110	110	2,000
" impt. m. g. 5's	1928	8,103,500	J & D	81½	Mar. 17,'97	....	....	....
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,028,000	A & O	18½	June 25,'97	19	18	17,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....		....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	101¼	June 30,'97	102	97½	58,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....		....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....		....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	104	June 26,'97	104	104	5,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	112½	June 30,'97	112½	111¾	28,000
" 2d extended 5's	1919	2,149,000	M & N	122	June 23,'97	122	122	5,000
" 3d extended 4½'s	1923	4,618,000	M & S	115¾	June 21,'97	116	115¾	15,000
" 4th extended 5's	1920	2,926,000	A & O	119½	May 21,'97	....	....	....
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	143	June 23,'97	143	141½	72,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	May 29,'97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	137¾	Apl. 23,'97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....		....	....	....
" small			J&J	....		....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	107	June 16,'97	107	107	10,000
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	110	June 30,'97	110	109	41,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....		....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	91¾	June 30,'97	92	89½	664,000
" " registered			J&J	....		....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	66¾	June 29,'97	67	63½	223,000
" " registered			J&J	....		....	....	....
Eureka Springs R'y 1st 6's, g.	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	111	May 21,'97	....	....	....
" 1st General g 5's	1942	2,096,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	114	Apl. 24,'97	....	....	....
" 1st con. gold 5's	1939	2,100,000	M & N	80	Apl. 9,'97	80	73½	8,000
" Port Huron d 1st g 5's	1939	3,083,000	A & O	80	June 21,'97	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	108	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....		....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	....		....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	67	June 30,'97	67½	55½	405,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	53½	June 30,'97	53½	52	48,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	103	Apl. 19,'97	....	....	....
" 2d mortgage 7's	1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	89⅝	June 29,'97	89½	88¾	135,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,230,000	A & O	102	June 30,'97	102	102	18,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	June 23,'97	83	83	1,000
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	111¾	June 21,'97	112	111⅜	9,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	105	June 29,'97	105	105	3,000
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	68⅝	June 29,'97	68½	67½	134,000

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• Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'96	....	....	....
• Deben. 4's p. & int. gtd,	1897	411,000	A & O	98	June 18,'97	98	98	1,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	112¾	June 17,'97	112¾	110	10,000
• registered			J&J	102½	Dec. 30,'96	....	....	....
• gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
• registered			J&J	97	Dec. 17,'95	....	....	....
• gold 4's	1952	15,000,000	A & O	102	June 3,'97	102	102	5,000
• gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....
• gold 4's	1953	24,679,000	M & N	101¾	June 25,'97	101¾	101¼	11,000
• gold 4's registered			M & N	....	....	....	....	....
• 2–10 g. 4's	1904	4,806,000	J & J	100⅛	June 4,'97	100⅛	100⅛	1,000
• 2–10 g. 4's registered			J & J	....	....	....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered			M & S	....	....	....	....	....
• West'n Line 1st g. 4's,	1951	3,550,000	F & A	105⅛	June 22,'97	105⅛	105⅛	4,000
• registered			F & A	....	....	....	....	....
• Cairo Bridge 4's g	1950	3,000,000	J & D	101⅛	Sept. 10,'96	....	....	....
• registered				....	....	....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	100⅛	Aug. 17,'96	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	Nov. 27,'96	....	....	....
• 1st consol. 7's	1897	826,000	M & N	102¾	June 15,'97	102¾	102¾	2,000
• gold 5's	1951	16,526,000	J D 15	123	June 17,'97	123	123	1,000
• gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	....
• Memph. div. 1st g. 4's,	1951	3,500,000	J & D	98½	June 16,'95	....	....	....
• registered			J & D	....	....	....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Cedar Falls & Minn. 1st 7's	1907	1,334,000	J & J	120	Apr. 26,'95	....	....	....
Ind., Dec. & Spg. 1st 7's tr. rec. ex bonds	1906	1,800,000	A & O	35⅛	June 23,'97	35⅛	35⅛	5,000
• stamped				27	Jan. 4,'97	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	104	June 22,'97	104	102	30,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	84	Dec. 29,'96	....	....	....
• 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	119	June 26,'97	119½	119	20,000
• 2d mortgage 4½–5's	1909	6,593,000	M & S	81	June 30,'97	81	75	131,000
• 3d mortgage 3–4's	1921	2,710,500	M & S	42	June 25,'97	42	31½	54,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	93	June 29,'97	93½	89	46,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....	....	....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	50	June 24,'97	50	49	2,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	38	June 18,'97	38	38	3,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	118	June 24,'97	118	117	21,000
• 2d mtge. g. 5's	1941	2,600,000	J & J	102	June 21,'97	102½	102	25,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	101½	May 22,'97	....	....	....
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	104⅝	June 29,'97	104⅝	104¼	62,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,134,500	A & O	107¾	June 15,'97	107¾	107⅝	7,000
• con. co. 1st 7's	1900	10,778,000	J&J	113⅝	June 25,'97	114	113	19,000
• con. 1st registered	1900		Q J	110½	June 22,'97	112⅛	110½	141,000
• con. co. 2d 7's	1903	9,998,000	J&D	120½	June 29,'97	121	120⅜	88,000
• con. 2d registered	1903		J&D	121⅛	June 23,'97	121⅛	120⅛	248,000
• g 3½s	1997	22,433,000	J & D	104	June 30,'97	104	103¾	28,000
• • registered			J & D	109	Dec. 21,'96	....	....	....
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	....	....	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	101	95¾	55,000
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	100½	June 29,'97	110	108½	54,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	110	June 29,'97	108½	107	45,000
• registered			A & O	108½	June 11,'97	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
• registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	92	Mar. 24,'96	....	....	....
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	118⅝	117	121,000
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	118¼	June 30,'97	....	....	....
• registered			M&S	....	....	....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93			
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	103¼	May 14,'97	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	118½	June 29,'97	118½	117	24,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	87	June 28,'97	87½	86¾	15,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	84	June 2,'97	84	84	5,000
" g. 4's	1932	325,000	J & D	....	....	....	....	....
" deb. g. 5's	1934	1,500,000	J & D	....	....	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	984,000	M & S	100	May 25,'97	....	....	....
" 2d m. inc.	1927	1,000,000	S	40	Mar. 28,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's,	1935	1,726,000	A & O	105½	June 30,'97	105½	105½	3,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,075,000	Q JAN	108½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's.	1939	3,406,000	J & J	30	May 21,'97	....	....	....
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	104	June 28,'97	104	103⅝	45,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's,	1930	5,000,000	J & J	122½	June 15,'97	123	122½	23,000
" 2d 6's	1930	1,000,000	J & J	108	May 27,'97	....	....	....
" E., Hend. & N. 1st 6's	1919	2,883,000	J & D	115	May 11,'97	....	....	....
" general mort. 6's	1930	10,248,000	J & D	117	June 14,'97	117	116	2,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	118	Aug. 28,'96	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	110	June 1,'97	110	110	1,000
" So. N. Ala. si'g fd. 6s,	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	100	June 30,'97	100	98½	10,000
" Unified gold 4's	1940	14,994,000	J & J	82⅞	June 29,'97	82⅞	80	99,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.,	1921	2,883,000	F & A	96½	June 25,'97	96½	95	30,000
" collateral trust g. 5's,	1931	5,129,000	M & N	99½	June 16,'97	99½	99	7,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104½	Mar. 16,'97	....	....	....
" N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	85	Jan. 9,'97	....	....	....
South & N. Ala. con. gtd. g. 5's,	1936	3,673,000	F & A	91¾	May 25,'97	....	....	....
Kentucky Cent. g. 4's	1987	6,742,000	J & J	89⅝	June 22,'97	89½	89	18,000
L. & N. Louv. Cin. & Lex. g. 4½'s,	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.	1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's,	1910	3,000,000	J & J	115½	June 24,'97	115½	114⅛	32,000
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	91⅛	June 29,'97	91⅛	84	13,000
" eng. Tr. Co. ctf. gen. g. 5's,	1940	2,609,000	M & N	45	June 28,'97	45	45	4,000
Louisville Railw'y Co. 1st c. g. 5's,	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	95½	June 30,'97	95½	93¼	182,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's,	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	121	June 18,'97	121	120½	21,000
" 2d 6's	1899	4,000,000	M & N	105¼	June 30,'97	105¼	104¼	36,000
Mexican Central.								
" con. mtge. 4's	1911	58,906,000	J & J	67	May 3,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's,	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped		....	....	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	10¾	June 1,'97	10¾	10¾	5,000
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97	....	....	....
" registered			J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	117	June 30,'97	117	116¼	14,000
" 1st con. 5's	1902	2,000,000	M & N	106⅛	June 24,'97	106¼	105½	4,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	111½	July 24,'96	....	....	....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	105½	June 4,'97	105½	105½	1,000
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil. Elec. R. & Light con. 30yr. g. 5's.	1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's.	1927	950,000	J & D	139	June 17,'97	139	139	4,000
" 1st con. g. 5's	1934	5,000,000	M & N	106⅜	June 19,'97	103⅛	101¼	153,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¾	May 11,'97	....	....	....
Minneapolis & Pacific 1st m. 5's.	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's.	1838	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's.	1990	39,774,000	J & D	84⅛	June 30,'97	84⅛	83	576,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	62½	June 30,'97	62½	59¼	935,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	80	June 28,'97	80	75	14,000
" Kan. C. & P. 1st g. 4's.	1990	2,500,000	F & A	66¼	May 27,'97	....	....	....
" Dal. & Waco 1st g. g. 5's	1940	1,340,000	M & N	76½	June 26,'97	76½	76	5,000
Booneville Bdg. Co. gtd. 7's...	1906	599,000	M & N	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's.	1942	4,000,000	A & O	92	June 29,'97	92	90	97,000
Missouri, Pacific 1st con. g. 6's...	1920	14,904,000	M & N	83⅛	June 29,'97	83⅛	70	109,000
" 3d mortgage 7's	1906	3,828,000	M & N	100	June 14,'97	100	100	24,000
" trusts gold 5's	1917	14,876,000	M & S	47	June 11,'97	47	43	20,000
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's.	1920	7,000,000	F & A	58	June 25,'97	58	58	24,000
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.	1938	7,000,000	M & S	101¼	June 22,'97	102	101	10,000
" 2d extended g. 5's	1938	2,573,000	F & A	102½	June 30,'97	102¾	101	9,000
Verdigris V'y Ind. & W. 1st 5's.	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's.	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s...	1897	4,000,000	F & A	104⅛	June 30,'97	104¾	104	26,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	104⅛	May 15,'97	....	....	....
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	80	June 29,'97	80¼	70	91,000
" stamped gtd gold 5's..	1931	6,945,000	A & O	77	June 16,'97	77	68	17,000
Mob. & Birm., prior lien, g. 5's...	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	......	....	....	....	....	....
Mobile & Ohio new mort. g. 6's..	1927	7,000,000	J & J	118	June 18,'97	118	116¼	10,000
" 1st entension 6's	1927	974,000	J & D	112	June 18,'97	112	112	1,000
" gen. mortgage 4's	1938	9,470,500	Q J	68⅛	June 21,'97	68⅞	66½	401,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's..	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	128	July 23,'95	....	....	....
Nashville, Chat. & St. L. 1st 7's...	1913	6,300,000	J & J	133⅛	June 22,'97	133⅛	131	34,000
" 2d 6's	1901	1,000,000	J & J	101½	Apl. 14,'97	....	....	....
" 1st cons. g. 5's	1928	5,594,000	A & O	99½	June 30,'97	100	98½	38,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch.	1923	871,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's..	1915	1,820,000	A & O	108⅛	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's..	1903	30,000,000	J & J	120¾	June 24,'97	120¾	120⅝	18,000
" 1st registered	1903		J & J	120½	June 16,'97	120½	120⅛	125,000
" debenture 5's	1904	10,000,000	M & S	110¾	June 30,'97	110¾	109¾	21,000
" debenture 5's reg			M & S	110¾	June 29,'97	110½	109⅝	3,000
" reg. deben. 5's	1889-1904	1,000,000	M & S	107¼	Feb. 13,'97	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	103⅛	June 24,'97	103¾	103	48,000
" registered	1905		J & D	104	Mar. 23,'97	....	....	....
" deb. cert. ext. g. 4's..	1905	6,450,000	M & N	103¾	June 29,'97	103¾	103¾	18,000
" registered			M & N	103⅜	May 19,'97	....	....	....
Harlem 1st mortgage 7's c	1900	12,000,000	M & N	110⅛	June 16,'97	110⅛	110⅛	3,000
" 7's registered	1900		M & N	110½	June 18,'97	110½	110	7,000
N. Jersey Junc. R. R. g. 1st 4's.	1986	1,650,000	F & A	103	May 7,'97	....	....	....
" reg. certificates			F & A	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int's Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
West Shore 1st guaranteed 4's.....	50,000,000	J & J	110¼	June 30,'97	110⅛	108¾	156,000
" registered..................		J & J	107⅝	June 29,'97	109⅛	107⅛	178,000
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108¼	Apr. 30,'97	....	....	....
" registered..................		J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's..............1936	500,000	J & J	....		....	....	....
" registered..................	....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	....		....	....	....
" small bonds series B......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	121¼	June 25,'97	121¼	121	7,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107½	June 2,'97	107½	107½	4,000
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's 1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's..1993	4,000,000	A & O	103	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	105⅛	June 30,'97	105⅛	104⅛	192,000
" registered..................		A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's......1905	6,000,000	J & J	123	June 16,'97	123	123	2,000
" 1st 6's.....................1905	4,000,000	J & J	114	May 27,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000	15,007,500	A & O	135⅛	June 19,'97	138	135⅛	38,000
" small certifs.............$100	1,430,000	......	135	June 18,'97	135	135	500
N. Y. & Northern 1st g. 5's.......1927	1,200,000	A & O	121	May 12,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's 1939	5,600,000	J & D	109⅛	June 25,'97	109⅛	109	18,000
" Refunding 1st g. 4's.....1992	8,375,000	M & S	96	June 30,'97	96	93⅛	95,000
" Registered......$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	105	June 30,'97	105	101	88,000
" 2d mortg. 4½'s.........1937	547,000	F & A	73	June 19,'97	73	72⅛	6,000
" gen. mtg. g. 5's.........1940	2,453,000	F & A	78	June 30,'97	78	68	59,000
" term. 1st mtg. g. 5's...1843	2,000,000	M & N	105⅛	June 19,'97	105⅛	105	4,000
" registered..........$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	88¾	June 25,'97	88¾	87½	16,000
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	118¾	June 28,'97	118¾	118	10,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	15,392,000	J & J	120⅝	June 30,'97	120⅛	117⅝	83,000
" registered..................		J & J	117	June 30,'97	119	117	65,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	129	June 22,'97	129	128⅛	4,000
" registered certificates....		Q F	129⅝	May 18,'96	....	....	....
Dul. & Man. 1st g. 6's, en Tr. Co. ctfs " 10 p c purchase price paid	1,619,000	J & J	81	Jan. 28,'87	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's.1997	74,812,500	Q J	90⅛	June 30,'97	90⅛	88¼	1,533,000
" registered..................		Q J	88	May 19,'97	....	....	....
" gen. lien g. 3's..........2047	56,000,000	Q F	55⅝	June 30,'97	57⅛	54⅛	3,676,000
" registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	4,090,000	J & J	104¾	June 15,'97	104¾	104¼	4,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	108	June 26,'97	108	104	11,000
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	122	May 3,'97	....	....	....
" New River 1st 6's........1932	2,000,000	A & O	120	June 15,'97	120	119	14,000
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off..................	....	......	....		....	....	....
" Sci'o Val & N.E. 1st g.4's,1989	5,000,000	J & N	83¼	June 26,'97	83¼	79	84,000
" C. C. & T. 1st g. t. g g 5's 1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.1996	22,172,500	A & O	73	June 30,'97	74	70⅝	87,000
" registered..................		A & O	....		....	....	....
" small bonds..................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	49	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
" inc	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	105⅝	June 29,'97	106	104¾	96,000
" consolidated 7's	1898	3,066,000	J & J	105½	June 24,'97	105⅝	105¼	20,000
" 2d consolidated 7's	1911	2,952,000	A & O	120	June 21,'97	120	117¼	36,000
" 1st Springf'd d. 7's	1905	1,964,000	M & N	101⅛	June 29,'97	101⅛	100½	7,000
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¾	May 11,'97	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	84¾	June 2,'97	84¾	84¾	2,000
" gen. mortg. g 4's	1921	1,543,000	M & N	10	Mar. 10,'97	....	....	....
" gen. eng. Trust Co. certs...		1,255,000	......	9	June 22,'97	9	9	18,000
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	......	57	June 23,'97	57	50	17,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	72⅛	June 11,'96	72⅛	72⅛	5,000
Oregon Improvement Co. 1st 6's	1910	743,000	J & D	89	June 16,'97	89	84½	4,000
" eng. Tr. Co. ctfs. of dep		3,328,000	......	87½	May 28,'97	....	....	....
" con. mortg. g 5's	1939	2,633,000	A & O	15½	May 14,'97	....	....	....
" Trust Co. reor cts 1st ins pd		3,916,000	......	20	June 14,'97	20	17	55,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	114	June 30,'97	114	113	40,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	85⅛	June 18,'97	85⅛	83⅝	256,000
Paducah, Tenn. & Ala. 1st 5's	1920	....	......	....	....	....	....	....
" Issue of 1890		1,815,000	J & J	....	....	....	....	....
" Issue of 1892		617,000	J & J	....	....	....	....	....
Panama s. f. subsidy g 6's	1910	1,846,000	M & N	101⅛	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	111	June 17,'97	111	111	5,000
" reg	1921		J & J	110⅛	June 21,'97	112¾	110⅛	18,000
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	110¾	June 1,'97	110¾	110¾	3,000
" Series B	1942	10,000,000	A & O	111	June 22,'97	111	110	24,000
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
" Series D gtd. 4's	1945	4,863,000	M & N	102	Apr. 20,'97	....	....	....
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	110½	June 22,'97	110½	110½	1,000
" 1st reg. 7's	1900		F & A	109¼	Apr. 23,'97	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	140	June 18,'97	140	140	2,000
" 2d 7's	1912	2,546,000	J & J	137	June 7,'97	137	137	5,000
" 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	113	May 14,'96	....	....	....
" registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	113¼	Apr. 14,'97	....	....	....
" Series A	1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
" 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	June 18,'96	102	102	1,000
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,029,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	May 12,'97	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
" registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	....	....	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	113¼	Apr. 23,'97		....	....
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's	1920	1,287,000	J & J	99	June 24,'97	99	98	15,000
" Evansville div. 1st 6's	1920	1,470,000	M & S	96	June 30,'97	96	91	21,000
" Tr. Co. ctfs. 2d mort 5's	1926	1,778,000	M & N	10¼	June 29,'97	10⅛	10	137,000
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	80	June 10,'97	80	80	5,000

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Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A,	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's,	1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's,	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	104¾	June 28,'97	104¾	102¾	48,000
" 1st cons. 5's	1943	786,000	J & J	88½	June 5,'96	....	....	....
Pittsburg & West'n 1st gold 4's,	1917	9,700,000	J & J	72	June 30,'97	72	66	62,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	33½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	57,243,000	J & J	84⅝	June 30,'97	84½	81⅝	1,398,000
" registered			J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	78¼	June 30,'97	78¾	78	698,000
Rio Grande Junc'n 1st gtd. g. 5's,	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4,	1940	4,510,000	J & J	68½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's,	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.3-4	1947	3,500,000	J & J	65¾	June 30,'97	66	63⅝	157,000
St. Louis, A. & T. H. 1st 2T. g. 5's,	1914	2,200,000	J & D	104½	Apr. 28,'97	....	....	....
" registered			J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's,	1917	1,000,000	M & S	103	Dec. 22,'96	....	....	....
St. Louis, South. 1st gtd. g. 4's,	1931	550,000	M & S	70½	May 28,'96	....	....	....
" 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
" 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A,	1906	500,000	M & N	115	June 12,'97	115	114¼	2,000
" 2d g. 6's, Class B	1906	2,766,500	M & N	115	June 12,'97	115	115	3,000
" 2d g. 6's, Class C	1906	2,400,000	M & N	114¾	June 3,'97	114¾	114¾	1,000
" 1st g. 6's P. C. & O.	1919	1,086,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's	1931	7,807,000	J & J	116⅛	June 30,'97	116⅛	113¾	159,000
" gen. g. 5's	1931	12,293,000	J & J	101¼	June 30,'97	101⅜	99	249,000
" 1st Trust g. 5's	1987	1,099,000	A & O	89	June 4,'97	89	87	17,000
Ft. Smith & Van B. Bdg. 1st 6's,	1910	319,000	A & O	110	Mar. 30,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's,	1916	732,000	M & S	35	June 11,'97	35	35	1,000
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	70¼	June 30,'97	70⅝	66¾	509,000
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	68⅛	June 30,'97	68⅛	65¼	67,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	25	June 29,'97	25	25	5,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000 000	A & O	102⅛	June 16,'97	102⅛	102⅛	10.000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	121	June 18,'97	121⅜	120⅝	20,000
" Dakota ext'n 6's	1910	5,676,000	M & N	121¾	June 25,'97	121¾	120⅝	14,000
" 1st con. 6's	1933	13,344,000	J & J	129	June 24,'97	129	128¾	17,000
" 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
" 1st c. 6's, red'd to 4½'s		21,248,000	J & J	107⅝	June 29,'97	107	106¾	25,000
" 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
" Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	92⅛	June 21,'97	92⅛	90	21,000
" registered			J & D	89½	Apr. 23,'97	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	124	July 31,'96	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	121⅛	June 18,'97	121⅛	120	23,000
" 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
" 1st g. g. 5's	1937	2,700,000	J & J	107	June 18,'97	108	107	10,000
" registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	107¾	June 24,'97	107¾	107¾	5,000
" registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	108	May 22,'97	....	....	....
" registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's,	1943	18,886,000	J & J	60⅝	June 30,'97	60⅛	57⅛	1,062,000
San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	114	July 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low	June Sales. Total.
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1981	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
" assessment paid			F & A	48½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's,	1919	5,250,000	M & N	92⅞	June 28,'97	98	90½	165,000
South'n Pac. of Ariz. 1st 6's	1909–1910	10,000,000	J & J	94	June 28,'97	94	94	5,000
South. Pac. of Cal. 1st g 6's	1905–12	30,577,500	A & O	106	May 6,'97	....	....	....
" 1st con. gtd. g 5's	1937	19,095,000	M & N	90½	June 30,'97	90½	88	143,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	84⅛	June 29,'97	84½	84½	100,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....		....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	106¼	June 30,'97	106½	105¾	120,000
Southern Railway 1st con. g 5's	1994	26,962,000	J & J	98¼	June 30,'97	98¼	90¼	1,314,000
" registered			J & J	....		....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	89¾	June 29,'97	90	87	104,000
" registered			M & S	....		....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	109¼	Feb. 3,'97	....	....	....
Atl. & Char. Air Line, income	1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5–6's	1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's	1900	8,123,000	J & J	111	June 22,'97	111	110¼	10,000
" divisional g 5's	1930	3,106,000	J & J	116	June 5,'97	116	116	1,000
" con. 1st g 5's	1956	12,770,000	M & N	109⅝	June 30,'97	109⅝	107⅝	210,000
Ga. Pacific Ry. 1st g 5–6's	1922	5,660,000	J & J	119	June 30,'97	119	118	9,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	116½	June 30,'97	116½	115	11,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	124¾	June 25,'97	124¾	124¾	4,000
" equip. sink. f'd g 5's,	1909	1,828,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped	1927	3,368,000	A & O	100	June 29,'97	100	99½	20,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....		....	....	....
" small			M & S	....		....	....	....
" ser. B 6's	1911	1,900,000	M & S	....		....	....	....
" small			M & S	....		....	....	....
" ser. C 6's	1916	1,100,000	M & S	....		....	....	....
" small			M & S	....		....	....	....
" ser. D 4–5's	1921	950,000	M & S	....		....	....	....
" small			M & S	....		....	....	....
" ser. E 5's	1926	1,775,000	M & S	....		....	....	....
" small			M & S	....		....	....	....
" ser. F 5's	1931	1,310,000	M & S	....		....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	101¼	June 30,'97	101¼	101	17,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	101¾	June 29,'97	101¾	101	9,000
W. O. & W. 1st cy. gtd. 4's	1924	1,275,000	F & A	79½	Apl. 3,'95	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	116	June 30,'97	116½	115½	12,000
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....		....	....	....
Sunbury & Lewiston 1st g. 4's	1936	500,000	J & J	....		....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	109½	Mar. 1,'97	....	....	....
" 1st con. g. 5's	1894–1944	4,500,000	F & A	108¼	June 28,'97	108¼	107½	17,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
" Sabine d. 1st 6's	1912	2,575,000	M & S	106	June 12,'96	106	106	1,000
" con. m. g 5's	1943	1,620,000	F & A	96¼	June 30,'97	96¾	96	122,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's	2000	21,049,000	J & D	92⅝	June 30,'97	92½	87	466,000
" 2d gold income, 5's	2000	23,227,000	MAR.	27	June 30,'97	28⅝	21¼	3,175,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	124½	June 18,'97	124½	124½	5,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	105	June 23,'97	105	103	14,000
" 1st M. g 5's West. div	1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's	1935	1,500,000	J & D	....		....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,840,000	A & O	74½	June, 30'97	74½	74½	1,000
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	70	June 29,'97	70	62	26,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	78¾	June 29,'97	78¾	72½	243,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	100	June 21,'97	100⅛	100	5,000
Union Pacific 1st g. 6's	1896	11,604,000	J & J	103¾	June 28,'97	103¾	103¾	1,000
" g. 6's	1897		J & J	103¾	June 29,'97	103¾	103¾	1,000
" g. 6's	1898		J & J	103¾	June 29,'97	104¾	103¾	6,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
″ g. 6's	1899		J & J	103¼	May 5,'97	....	....	....
″ g. 6's Tr.Co.cfs.ex mat cps	1896		......	104½	June 14,'97	104½	103¼	12,000
″ g.6's Tr.Co. cfs.ex mat cps	1897	15,685,000	......	105¼	June 24,'97	105¼	104	2,000
″ g.6's Tr.Co. cfs. ex mat cps	1898		......	106	June 25,'97	106	103¼	40,000
″ g. 6's Tr.Co. cfs.ex mat cps	1899		......	106	June 22,'97	106	104	5,000
″ collat. trust 6's		3,983,000	J & J	101	June 7,'97	101	100½	38,000
″ 5's	1907	4,970,000	J & D	76¼	June 24,'97	76¼	76¼	5,000
″ g 4½'s	1918	2,000,000	M & N	50	May 22,'95	....	....	....
″ eng. Tr. Co. certifs			......	50	Jan. 23,'97	....	....	....
″ gold notes,6's stampd,	1894	8,150,000	F & A	101¼	June 18,'97	101½	100½	15,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's.	1899	1,391,000	M & S	92¼	June 30,'97	94	88	67,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	111¼	June 7,'97	111½	111¼	2,000
″ eng.Tr.Co. cfs. ex mat cps		805,000	......	101½	Mar. 9,'97	....	....	....
″ 1st 6's	1896	1,990,000	J & D	114½	May 25,'97	....	....	....
″ eng.Tr.Co. cfs. ex mat cps		2,073,000	......	100½	June 5,'97	100½	100½	3,000
″ Denver div. assd. 6's	1899	2,836,000	M & N	117⅞	May 27,'97	....	....	....
″ eng.Tr.Co. cfs. ex mat cps		3,051,000	......	102½	May 4,'97	....	....	....
″ Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	73¾	June 30,'97	74	68	579,000
Cent. Br. Un. Pac. f'd cpns 7's.	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	28¾	June 22,'97	28¾	26¼	10,000
U. P., Lin. & Colo. 1st gtd g. 5's.	1918	4,480,000	A & O	21½	June 15,'97	21½	19	9,000
″ Den.&Gulf 1st c. g.5's.	1939	15,801,000	J & D	39	June 29,'97	39	35	321,000
Or.S.L.&U.N.Tr.Co.cts1st cn.g.	1919	10,792,000	A & O	85½	June 30,'97	86⅛	75	552,000
″ assented		....	......	....		....	....	....
Oregon Short Line 1st 6's	1922	3,538,000	F & A	120	June 24,'97	120	118⅜	60,000
″ Trust Co. ctfs of dep.		11,393,000	......	118	June 30,'97	118¼	117⅛	97,000
Utah & Nor'n R'y 1st mtg 7's	1908	1,031,000	J & J	119½	June 30,'97	119½	117¾	238,000
″ gold 5's	1926	1,877,000	J & J	102	May 24,'94	....	....	....
Utah So'n Tr.Co.cts.gen.mg 7's.	1909	1,495,000	J & J	75	Apr. 12,'97	....	....	....
″ Tr.Co. ctfs.ext. 1st 7's.	1909	1,924,000	J & J	81½	June 18,'97	81½	75	12,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	104⅝	June 30,'97	105	101⅜	466,000
″ 2d mortgage gold 5's	1939	14,000,000	F & A	72	June 30,'97	72	64½	195,000
″ deben. mtg series A	1939	3,500,000	J & J	....		....	....	....
″ series B	1939	25,740,000	J & J	23½	June 29,'97	24¼	21	47,000
″ 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	96	June 15,'97	96	96	25,000
St. L., Kan. C. & N. St. Chas. B. ″ 1st 6's	1908	1,000,000	A & O	110	June 26,'97	110	110	5,000
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	109½	June 22,'97	109½	108½	12,000
″ gen g. 2-3-4's	1943	10,000,000	A & O	48	June 29,'97	48	48	10,000
″ inc. 5's	1943	10,000,000	Nov.	11¼	June 1,'97	11¼	11¼	14,000
West Va. Cent'l & Pac. 1st g. 6's.	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	90	June 23,'97	91	90	11,000
″ Wheeling div. 1st g. 5's.	1928	1,500,000	J & J	90	Jan. 27,'96	....	....	....
″ exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
″ consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	33	June 28,'97	34	33	21,000
″ eng. Trust Co. certificates.		10,013,000	......	33	June 29,'97	34	30	389,000
″ income mortgage 5's	1937	7,775,000	A & O	5	Mar. 26,'97	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

Name	Principal Due.	Amount.	Int'st Paid.	Year 1897. High.	Year 1897. Low.	June Sales. High.	June Sales. Low.	June Sales. Total.
United States 2's registered	Opt'l	25,364,500	Q M	....	....	....	....	......
″ 4's registered	1907	559,634,000	J A J&O	112	110⅝	111½	110⅝	54,000
″ 4's coupon	1907		J A J&O	113¼	111⅝	113¼	112⅝	19,000
″ 4's registered	1925	162,315,400	Q F	125½	120¼	125⅛	125⅛	10,000
″ 4's coupon	1925		Q F	125⅜	120⅛	125⅛	123¾	382,000
″ 5's registered	1904	100,000,000	Q F	114¼	113	....	....	......
″ 5's coupon	1904		Q F	114¾	113	114¾	114	462,000
″ 6's currency	1898	29,904,952	J & J	103½	103⅛	....	....	......
″ ″	1899	14,004,560	J & J	107¾	106½	....	....	......
″ 4's reg. cer. ind. (Cherokee)	1898	1,660,000	MAR	....	....	....	....	......
″ ″	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JUNE SALES. *High.*	JUNE SALES. *Low.*	JUNE SALES. *Total.*
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	108	June 21,'97	108	106⅛	11,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	77	June 30,'97	77	73	88,000
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	87¼	Nov. 10,'96	....	....	....
B'klyn Union GasCo. 1st con. g. 5's	1945	13,081,000	M & N	112⅛	June 30,'97	113	111¾	178,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	97½	June 30,'97	98	96⅝	56,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	104⅛	Juue 30,'97	105	98⅝	258,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	95	June 19,'97	95	92	15,000
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	99	Feb. 8,'96	....	....	....
" Coupon off	....	....	....	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106⅛	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,175,000	J & J	....	....	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's	2397	11,500,000	Q & J	109⅛	June 29,'97	109⅛	108¾	47,000
" registered	....		Q & J	....	....	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	99⅛	June 30,'97	99⅛	97	58,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	81	June 30,'97	83	78¼	234,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	118¾	June 30,'97	118¾	118	94,000
" 1st con. g. 5's	1995	3,156,000	J & J	114¼	June 25,'97	114¼	113	73,000
" Brooklyn 1st g. 5's	1940	1,500,000	A & O	110⅛	Feb. 4,'97	....	....	....
" registered	....		A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.	....							
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	106	June 25,'97	106	103⅛	21,000
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,000,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's	1922	8,000,000	J & D	99⅛	June 24,'97	100	95⅛	90,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st								
" g. 5's	1915	1,225,000	F & A	92⅛	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's	1901	500,000	J & J	75⅛	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.								
" 1st g. 5's	1926	1,975,000	J & D	107	May 27,'97	....	....	....
" 2d g. 5's	1926	1,000,000	J & D	80	May 4,'97	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	100	June 30,'97	100¼	97	201,000
" small bonds	....			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	....	....	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	108¼	Jan. 5,'92	....	....	....
" registered	....		M & N					
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	85	June 5,'97	85	85	5,000
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	112	Apl. 5,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,337,000	J & J	101	June 22,'97	101	100⅛	2,000
Newport News Shipbuilding & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	109	June 17,'97	109	109	2,000
" 2d 6's	1904	2,500,000	J & D	107	June 30,'97	107	106	12,000
" 1st con. g 6's	1943	4,900,000	A & O	111⅛	June 25,'97	111⅛	106	101,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅝	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

Name.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	June Sales. High.	June Sales. Low.	June Sales. Total.
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's	1946	3,000,000	F & A	62½	June 30,'97	69⅛	60	167,000
" " inc. g. 5's	1946	7,500,000	......	11	June 30,'97	16¼	10	25,000
Sun. Creek Coal 1st sk. fund 6's	1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,244,000	A & O	81	June 15,'97	81	79	6,000
{ " Bir. div. 1st con. 6's	1917	3,399,000	J & J	84	June 30,'97	89	80	113,000
{ Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's	1910	2,428,000	F & A	80½	Apr. 29,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	112	June 28,'97	112	111½	54,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's	1933	3,805,500	M & N	99	June 30,'97	99	95	106,000
Western Union deb. 7's	1875-1900	} 3,680,000	M & N	107	June 26,'96	107	107	10,000
" 7's, registered	1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's	1884-1900	} 1,000,000	M & N	105	May 8,'96	....	....	....
" registered			M & N	105	May 10,'97	....	....	....
" col. trust cur. 5's	1938	8,488,000	J & J	108¾	June 11,'97	109	108⅝	14,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	....	....	....	....	....

Condition of the National Banks of the United States.

Resources.	*Dec. 17, 1896.*	*Mar. 9, 1897.*	*May 14, 1897.*
Loans and discounts	$1,883,407,457	$1,886,282,264	$1,923,365,869
Overdrafts	17,752,653	11,727,027	10,786,007
U. S. bonds to secure circulation	239,346,340	231,610,000	229,419,550
U. S. bonds to secure U. S. deposits	15,868,000	16,178,250	16,533,000
U. S. bonds on hand	8,406,550	14,251,650	15,858,850
Premiums on U. S. bonds	17,641,942	17,905,674	17,028,105
Stocks, securities, etc	189,701,696	198,377,987	203,422,977
Banking house, furniture and fixtures	78,325,825	78,596,856	78,695,971
Other real estate and mortgages owned	27,736,020	28,049,346	28,507,938
Due from National banks (not reserve agents)	125,382,562	133,467,696	140,940,788
Due from State banks and bankers	32,141,784	33,366,153	35,971,045
Due from approved reserve agents	219,966,660	256,430,252	251,948,640
Checks and other cash items	13,138,402	11,635,233	12,000,494
Exchanges for clearing-house	84,976,068	74,830,987	84,350,553
Bills of other National banks	18,583,392	18,523,701	19,476,047
Fractional paper currency, nickels and cents	925,400	1,019,633	966,579
Lawful money reserve in bank, viz:			
Gold coin	118,631,050	118,809,395	119,609,201
Gold Treasury certificates	19,192,210	19,725,360	19,426,050
Gold clearing-house certificates	43,197,000	49,770,000	51,361,000
Silver dollars	6,975,625	7,198,522	6,948,233
Silver Treasury certificates	32,144,649	32,864,502	33,175,176
Silver fractional coin	5,400,174	5,581,082	5,556,722
Legal-tender notes	118,898,612	118,637,852	120,554,992
U. S. certificates of deposit for legal-tender notes	37,080,000	67,695,000	53,590,000
Five per cent. redemption fund with Treasurer	10,411,548	10,810,351	10,082,720
Due from U. S. Treasurer	1,889,686	1,298,479	2,235,481
Total	$3,367,115,772	$3,446,038,799	$3,492,411,995
Liabilities.			
Capital stock paid in	$647,186,395	$642,424,195	$637,002,395
Surplus fund	247,339,567	247,130,081	246,736,684
Undivided profits, less expenses and taxes paid	95,792,337	86,584,884	88,074,930
National bank notes issued, less amount on hand	210,689,985	202,655,403	198,278,310
State bank notes outstanding	60,393	60,391	60,381
Due to other National banks	317,860,025	369,287,235	363,219,013
Due to State banks and bankers	168,635,982	194,150,435	195,001,040
Dividends unpaid	952,120	1,003,095	1,429,450
Individual deposits	1,639,688,398	1,669,219,961	1,728,083,971
U. S. deposits	11,822,671	11,980,940	12,128,991
Deposits of U. S. disbursing officers	3,597,206	3,349,014	3,499,856
Notes and bills rediscounted	8,099,591	4,721,144	5,419,397
Bills payable	12,805,832	11,093,938	10,832,409
Liabilities other than those above stated	2,585,271	2,378,127	2,645,163
Total	$3,367,115,772	$3,446,038,799	$3,492,411,995

BANKERS' OBITUARY RECORD.

Bauer.—Henry F. Bauer, Assistant Cashier of the Lincoln National Bank, Washington, D. C., died June 5.

Bohon.—Henry C. Bohon, Cashier of the First National Bank, Harrodsburg, Ky., died June 3, aged fifty-two years.

Bomberger.—Jacob C. Bomberger, owner of the Mechanics' Bank, Harrisburg, Pa., died June 18. He was one of the most successful bankers in the State. He was born at Middletown, Pa., December 17, 1817.

Boulware.—Aubin L. Boulware, President of the First National Bank and the Union Bank, Richmond, Va., and a member of the law firm of Williams & Boulware, died June 12. Mr. Boulware was born in Virginia in 1843. He was one of the foremost citizens of Richmond.

Briggs.—Edwin Briggs, Vice-President of the Peekskill (N. Y.) Savings Bank, and one of the oldest merchants of the place, died June 14.

Brown.—Charles S. Brown, Vice-President of the Irving National Bank, New York, died June 30. He was born in Madison county, N. Y.

Cook.—Horace T. Cook, of Auburn, N. Y., died recently at the age of seventy-five years. He was one of the founders of the Cayuga County Savings Bank, and President for the past sixteen years.

Crawford.—E. G. Crawford, Cashier of the Clarion County Bank, Edenburg, Pa., and one of the best known oil men in the State, died June 16.

Dawes.—J. V. Dawes, Secretary and Treasurer of the Garfield Savings Bank Co., Cleveland, Ohio, died June 30.

Dickinson.—Dr. F. L. Dickinson, Vice-President of the First National Bank, Rockville, Conn., and an incorporator of the Savings Bank of Tolland, died June 2, at the age of eighty years.

Dulany.—Col. D. M. Dulany, Sr., President of the Bank of Hannibal, Mo., interested largely in the manufacture of lumber, and a man of large wealth, died June 2, aged eighty-two years.

Eames.—Henry F. Eames, President of the Commercial National Bank, Chicago, died June 16. He was born at Utica, N. Y., in 1813, and had lived in Illinois since 1840. After making a success as a country banker at Ottawa, Ill., he went to Chicago in 1863, and bought a controlling interest in the Commercial National Bank, remaining with that institution ever since.

Farnum.—Moses Farnum, who was for nearly forty years Cashier of the Franklin (Mass.) National Bank, and its predecessor, died June 9, aged seventy-three years. He retired from the bank in 1890, owing to a railroad accident which permanently disabled him.

Harris.—Geo. H. Harris, Assistant Treasurer of the Middletown (Conn.) Savings Bank, with which he had been connected for thirty-three years, died June 15.

Johnson.—John T. Johnson, President of the Chester (N. Y.) National Bank, died June 5. He had been connected with the bank and its predecessor as Cashier and President since 1851.

Knickerbacker.—Henry Knickerbacker, a member of the New York Stock Exchange since 1869, died June 10.

Leas.—John Leas, founder and President of the Citizens' Bank, Waterloo, Ind., died June 16, aged eighty two years.

Morrison.—Edward Morrison, a member of the New York Stock Exchange, since 1869, died June 21.

Reilly.—Philip Reilly, Vice-President of the St. Paul (Minn.) National Bank, committed suicide by shooting, June 10. Continued ill health is supposed to have caused the act.

Saunders.—Howard Saunders, formerly a member of the banking firm of R. A Lancaster & Co., New York, died June 13.

Scholle.—Jacob Scholle, of the banking and brokerage firm of Scholle Bros., New York, died June 16. He was sixty-nine years of age and a native of Germany.

Snyder.—Benjamin P. Snyder, President of the National Safe Deposit, Savings and Trust Co., Washington, D. C., died June 16, at the age of sixty-two years.

Stevens.—Hon. Charles G. Stevens, until recently President of the First National Bank, Clinton, Mass., died June 13.

Thayer.—Carey B. Thayer, Treasurer and Cashier of the Northfield (Vt.) Savings Bank, died June 18. He was seventy-three years of age, and had been connected with the bank since it began business in 1867.

Trowbridge.—Almarin Trowbridge, who was connected with the Union National Bank, Boston, for fifty-three years, died June 15. He entered the employ of the bank as assistant bookkeeper, and soon became bookkeeper. Later he was chosen Cashier, which position he held until 1890, when he retired.

THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. AUGUST, 1897. VOLUME LV, NO. 2.

THE TWENTY-THIRD ANNUAL CONVENTION of the American Bankers' Association, which is now in session at Detroit, will no doubt prove to be one of great importance to the future of the association and to the banking public.

For a number of years there has been an undercurrent of dissatisfaction among the delegates who have attended the conventions at the restrictions which were alleged to be imposed upon the free discussion of topics relating to the organization and government of the association.

The constitution, in its practical working, has, from the commencement of the association in 1875, favored the retention of the direction of the policy and the management of its resources in the hands of a few of the more enterprising and influential members. As far as any influence is exercised among banks upon each other apart from any artificial association among them, it takes but a little examination to see that it is exerted on the natural lines of the banking business. Thus a large city bank, with a host of smaller banks as its correspondents, has a certain degree of power over these correspondents. The President or managing officer of the large bank is looked to for advice and assistance within banking lines. The officers of the smaller banks are anxious to stand well with their city correspondent.

Remembering this principle, which is held in check by the dependence for a great part of its strength which the city bank feels towards its clients, it will be found that when the American Bankers' Association was formed that it was organized with this fact fully in view. The first committee appointed to draft a permanent organization in 1875 consisted of men representing influential banks. The design of the constitution as first drafted was to retain as much power as possible in the hands of an executive council which should exercise in the association functions analogous to those of a board of directors in a bank. The president, vice-president and other officers were entirely subordinate to the executive council and had no voice in its proceedings. The duties of the president were for many years practically confined to presiding at the conventions. The executive council in effect managed the affairs of the association through its secretary.

The object of the association was to include in its membership as many banks as possible, each of these members having the right to send delegates to the annual convention. It was soon understood that holding the conventions in successive different sections of the country would tend to collect a majority of the delegates at any particular convention from the section in which the convention was held. The full membership could not, in the nature of things, be represented at any one meeting—and if the majority in actual attendance were allowed to have their way, the association might be committed to a policy which would not represent the real sentiment of the membership. Therefore, there were wise restrictions as to the manner of proposing and passing resolutions. The executive council had great power in the initiation and continuance of discussions.

But the same restrictions which had so good effect in controlling the expressions of policy also applied to the election of officers. This, no doubt, for a time enabled men who once obtained a place in the executive council to secure almost permanent office and influence, and it became irksome to many delegates. This feeling brought about changes in the constitution, increasing the number of the executive council and preventing too frequent re-elections.

But notwithstanding these changes for greater liberality of elections, the plan of making nominations for the various offices still permits the immediate management to exercise great influence in the choice of those who are to be admitted to the government of the association. There are many qualifications to be made in regard to some of the causes of complaint, and it is with no wish to find fault that the ensuing criticisms and statements are made.

From the first the constitution provided that the president should have the power of appointing the nominating committee who were to nominate the candidates for the vacant offices. At first the convention had no control and the president selected the nominating committee. These again nominated as they saw fit. They generally presented a ticket to the convention, which the latter could confirm or reject. As a matter of fact, the nomination was usually equivalent to an election, for reasons to be mentioned hereafter. There was always more or less dissatisfaction with this, and then the present method was adopted of each State delegation presenting a name to the president from which he selected a nominating committee of five or seven. This puts some check on the president by confining his selection of the nominating committee to a list of names furnished him by the delegates.

But this method, like the last, does not give full satisfaction, and amendments to the constitution to modify the manner of making nominations have been presented at the present convention.

It must, however, be remembered that there has always been the power to make nominations from the floor of the convention in opposition to the regular nominations of the committee. But this has never or seldom been exercised with any effect. And this, no doubt, seems strange, considering the dissatisfaction which has existed among delegates. One reason is the lack of time. The convention usually continues over three days, and the programme prepared beforehand by the executive council is interspersed with entertainments to the delegates given by the bankers and others in the cities where the convention is held. The nominating committee frequently reports towards the close of a long session. Numbers of the delegates are expecting the adjournment so as to be free to enjoy the entertainment furnished. The entertainers, too, are often impatient that their arrangements shall not be belated. Any delegates or set of delegates who undertake to oppose the regular nominations are apt to find themselves looked upon as bores and are able to effect little or nothing. Sometimes, in cases of great persistence, other influences may be brought to bear which have a tendency to repress those who are esteemed as kickers. Generally, therefore, the nominating committee has its way.

Perhaps the only way in which an election that will satisfy all could be brought about would be by some kind of a secret ballot. The nominations being first made secretly by ballot and the election following by the same method. This is, probably, the only way in which delegates could be freed from all disturbing influences. Then the programme should be so arranged that neither the nomination nor election be crowded into out of the way corners of the proceedings. In this way, it is believed, much of the dissatisfaction that now pervades the delegates with regard to the management of the association might be obviated.

The two amendments to the constitution proposed by BRADFORD RHODES, of New York, were referred to at length in the July MAGAZINE. (See pages 58, 59.) Both of the amendments were approved by the New York State Bankers' Association at its recent session held at Saratoga Springs, and the delegates to the National Association were instructed to vote and favor the proposed amendments to the constitution. It is hoped that large delegations will be present at the Detroit convention from all the various State associations of banks and bankers.

THE CURRENCY COMMISSION recommended by President MC-KINLEY in his recent message is a piece of machinery of very doubtful utility, but as a means of satisfying the minds of the large class of people who think something ought to be done and to relieve the impatience that prevails at the apparent delay in attempting the settlement of a question that is of so great importance, it may be a political necessity.

It is not believed that a commission will have any real effect in settling the currency question. When appointed and after it has completed its labors and made its report, this latter must at length go to Congress, and there the whole question will no doubt be again taken up and argued from the very beginning. A commission can hardly simplify the main difficulties of legislation, which are chiefly of a political nature.

Congress has, during its two or three sessions, previous to its present one, through its appropriate committee, done a great deal of work in collecting and considering information upon subjects connected with banking and the currency. These committees have had before them men prominent as financial experts. They have also evolved one or two plans of their own. In fact, these committees appear to have already gone over about all the ground that could possibly be covered by a currency commission. But the impatient waiting public does not consider all this, and the appointment of a commission would no doubt go far to satisfy the longing to see something started.

If prosperity should return and business begin to be profitable, the condition of the currency might to a certain extent be forgotten. A commission may serve a good purpose in keeping the necessity of reform in view and keep the subject from being pigeon-holed until another era of depression again awakens people to the defects in the financial laws of the country.

The Administration is more or less committed to the task of quieting the discordant elements in the currency scheme, but that they have not thus far done anything in this direction should not as yet be imputed as a fault.

The great deficiency in revenue which has been the rule since 1893, the difficulty of reforming the tariff so as to increase this revenue with fairness to the industries of the country, are adequate reasons why the first energies of the extra session should have been exclusively devoted to this great subject—nor ought purely political reasons to be decried. Whatever may be said, the country can only be ruled effectively and wisely by a certain reconciliation of political differences, and it is reasonable that the men in power, who have attained eminence by means of their devotion to the art of making these reconciliations, should know something of what it is necessary to do to gain the necessary majorities for any particular measures.

The principle of the present Administration appears to have been to devote its energies to one important question at a time. This principle has been crowned with success in regard to the tariff, and when the currency question takes its turn it is to be hoped that it will be prosecuted to a satisfactory conclusion with equal energy and tact.

The financial expert who can construct a workable plan for mending the existing financial laws, and who, if power were given him, could no doubt put that plan in successful operation, is not such a rare person. There are no doubt many plans that would work well. But the financial expert as a rule is far from understanding or appreciating the difficulties that must be encountered before the necessary power to put any plan in operation can be delegated. He is impatient of the opposition that puts forward a reason manifestly unsound, to cover some concealed interest that is threatened by the proposed plan. The politician, who has his own interests or those of influential constituents to uphold, does not frankly say that he will oppose such or such a plan, because the voters in his district will not support him if he does. He gets up some kind of an argument against it. He raises all sorts of private objections with the gravest solemnity. The way to gain his support is not to show him that the plan is a good one; he probably knows that himself already, but he must be shown how he can gain personally by supporting the measure. This is politics.

All the promises during a campaign, the pledges and messages of the Administration in power, the reports of commissions, the reports of committees, are nothing but the preludes to and the covering of the real struggle. They are the costumes and clothes of the controversy. It is upon the proper and adroit use of the outside manifestations and a thorough and careful dealing with the real motives that control men, that the success of politicians and statesmen depends. The man who is a statesman to his friends and admirers is a politician to those who are opposed or indifferent.

Therefore, in regard to attaining the result of a satisfactory currency reform, it is well to consider whether the financial experts or the politicians are most likely to be the wiser. The men composing the Administration are doubtless in earnest in their desire to satisfy the popular demand for an improvement in the financial laws that will bring about prosperity and guarantee its permanence. They know better, perhaps, than any one else the extent and force of this demand. They have seemed anxious to learn from those who understand the subject the best and most practical ways of meeting it. As to the preliminary steps necessary to gain the power to put these plans in execution they must know better than those who have not been engaged as seriously in the art of politics.

Therefore, there are many sufficient reasons why the apparent delay in approaching the subject may be the wisest course, and also why the approach by means of a commission may, notwithstanding many objections that are obvious, be an important and feasible way of gaining the end in view. The hesitation shown in sending in the message recommending a commission was, in itself, an indication of the political difficulties surrounding the subject.

THE RETIREMENT OF THE LEGAL-TENDER and other Government notes by the simple method suggested by the Editor of the MAGAZINE is attracting considerable attention. The criticisms are not all favorable, but the opposition to it seems to come from those acute and astute writers who appear to take pride in the very common ability to pick flaws in any proposition whatever. The opponents of this plan are also opponents of the plans for retiring the legal-tender notes by bond issues either confined to the banks or thrown open to the general public. In fact they do not want the legal-tender notes retired at all and therefore they would naturally oppose and belittle any plan having that object in view.

As the MAGAZINE, together with all competent financial authorities, believes that the Government should retire from the note-issuing business and delegate the furnishing of the paper money to the banks, there seems very little chance of meeting these critics on any common ground.

The "Chicago Chronicle" opposes both the FOWLER plan, which proposes to retire the legal-tender notes by the issue to the banks for circulation purposes of long-time two per cent. bonds, as well as the RHODES plan. The FOWLER plan is opposed because in times of widespread banking disaster it is said that the bonds would not sell for par, and the RHODES plan is opposed because the Government might at any time divert the trust fund of legal-tender notes which this latter plan proposes shall be deposited as security for bank notes.

The great bugaboo which rests at the foundation of the arguments againt the FOWLER plan is that the banks may at some time or other all become embarrassed together. But the probabilities of this ever happening are almost as remote as that the earth will be struck by a comet. Moreover, the embarrassments of the banks which have occurred since the resources and wealth of the country have been developed, even in the worst times of the panics of 1873, 1884 and 1893, have been confined to a comparatively small proportion of the whole number of these corporations, and in no case has the bank currency been involved. The liabilities of the banks which placed them in difficulties were their deposits and not their notes. And there was no time when the currency of the banks was presented for redemption in a manner to compel any sale of bonds. Nor did the temporary embarrassment of some of the banks in meeting demands of depositors ever cause any permanent distrust in the minds of the public who have money to deposit. Since the panic of 1893 the deposits in all the banks have gone on increasing, showing that the thrifty and enterprising portion of the population have a well-grounded confidence in their general stability. The people who seem to be haunted with the constant dread of a great banking cataclysm appear to be those who have no money to deposit. In fact the banking institutions of the country could not universally go to wreck unless the business of the country and the Government itself went to wreck also. But there is little use of arguing against a cherished hallucination.

The MAGAZINE considers the FOWLER plan as one of the best for retiring Government notes by bonds issues, but believes the RHODES plan to be less expensive to the Treasury and consequently to the people than any plan involving the issue of bonds at any rate of interest.

The "Chicago Chronicle" opposes this plan because there is no absolute certainty that after the legal-tender notes have been deposited with the Treasury as security for bank circulation, that the Government may change the status of the trust fund so created. This is of course possible, as are a good many other things, but highly improbable.

The assumption upon which the plan rests is that the Government really wants to retire its demand notes as inexpensively as possible. If it does, it can do so by the RHODES plan. It is no argument against the adaptation of the plan to the object in view that the Government might after entering upon it change its mind and refuse to carry it through. Any plan conceivable would be open to this objection.

The uncertainty that under a popular form of government attends all legislation and public policy affects financial, as well as all other institutions, but is unavoidable and must to a certain extent be disregarded if anything is ever accomplished. It is like the uncertainty of the weather. It is this very uncertainty that makes it wise to narrow the functions of the Government as much as possible, and it is a step in this direction to retire all Government demand notes intended to circulate as money and to relegate the issue of such notes to the banks.

The MAGAZINE agrees with the critics, that it is in the power of a sovereign State at any time to change the status of a trust fund held by it. It ought to be and generally is the policy of all enlightened States to hold trust funds sacred. The United States has generally done so, and probably will always do so. It was therefore deplored that in 1890 any change was made in the status of the National bank redemption fund. The change in this case was purely technical. There was no real breach of trust, nor has any bank or note holder lost by it. Yet as a precedent it was bad policy.

If to the question whether the Government should retire its demand notes, the reply is, no, then there is no more to be said; but if yes, then the principle underlying the RHODES plan affords one of the cheapest and simplest methods of retiring them and substituting a sound and elastic bank currency.

Even admitting that the treatment of a trust fund by the Government, instead of being governed by an enlightened policy, such as has, with little exception, prevailed in the United States, may potentially be subject to the caprice of a temporary necessity or convenience, the trust fund under the RHODES plan would as the plan developed be supported and held true to its original object by the constant pressure of a continually increasing necessity and convenience.

THE SETTLEMENT OF THE TARIFF QUESTION brings into prominence what has already been done in regard to currency reform. The bill for the appointment of a monetary commission on the lines of action suggested by the Indianapolis sound money convention has passed the House; a bill prepared by Mr. GAGE, Secretary of the Treasury, is spoken of which will be introduced at the December session. Many good authorities seem to think that prosperity will not return until the currency question has been settled in the interests of sound money by definite legislation. This opinion may, however, prove incorrect in view of the many signs of improving conditions that are now making themselves manifest.

The ability of the Administration to secure the passage of the tariff bill is in itself an encouraging sign that when the proper time comes for the consideration of a currency measure that it, too, will receive the definitive consideration of Congress.

The currency of the United States, bad as are the principles on which its issue is based, and likely as it is to cause complications in times of financial stress, has the confidence of the people as long as the credit of the Treasury is high. The condition of the Treasury is improving from day to day and the condition of the exchanges and of trade with foreign countries both in products and securities is such as to almost preclude any large demand for gold for export. Therefore even though nothing was done at the recent session of Congress, this fact will not necessarily prevent the revival of business and the return of prosperity.

If before the meeting of Congress in December the revenues should indicate that the Treasury will be able to pay its way from month to month, with a prospect of a surplus when the new tariff shall be fairly under way; if present prospects of the demand for grain and other products are realized and the demand for our securities continues, it may be confidently expected that the promises held out of the return of prosperity following the election of Mr. McKinley can fairly be held to have been fulfilled. This will satisfy the public mind and so enlarge the confidence in the Administration that whatever is recommended by it will be more readily than ever acceded to by the majority in Congress.

THE FISCAL YEAR which ended June 30 shows an improving condition in the financial operations of the Government. Secretary CARLISLE estimated that the deficit for the year would be about $64,000,000, but the actual fact has been a deficit of $22,000,000 as against a deficit of $25,000,000 for the previous fiscal year. This reduction of the deficit has been made in consequence of the improvement in business and to some extent in consequence of increased importations due to the anticipated tariff changes. The importers, apprehending an increase of duties, have as usual laid in large stocks in advance. It may be anticipated that this fact will tend to diminish importations during the present fiscal year under the new tariff, but while this is true there will perhaps be causes to counteract this tendency in the general business conditions.

There is no country in the world where politics makes so sudden and important impressions on industrial conditions as in the United States, and no country where the changes in the revenue receipts from changes in industrial conditions are so marked. The panics of 1873 and 1893 were both immediately followed by a large falling off in revenue. But the return of confidence and the renewal of prosperity soon turned the current the other way, after the panic of 1873, and there are indications that the improvement in business conditions now becoming noticeable has and will continue to have the same effect on the revenue now.

It is probable that if Congress had reduced expenditures during the last two or three fiscal years that there would have been little or no deficit. But the policy of reducing the amount of the stream flowing from the Treasury at a period when so much capital had been withdrawn from business, when so many sources of employment were dried up, would have increased the hard conditions already existing. The expenditures of a Government, which through the assumption of the control of the currency issues, and in numberless other ways have become so intimately connected with the business of the country, can not be reduced without tending to increase the existing depression. While the appearance of deficits in the Treasury statements has no doubt reacted unfavorably on the credit of the United States, yet this has probably done less damage than would have resulted had the Government followed the example of many private employers of labor and reduced the appropriations, which indirectly have furnished the means of occupation to large numbers of citizens. If it is sometimes considered wise policy for a bank, in times of financial disaster, to strain its resources and credit rather than seriously curtail its accommodations to the business public, much more has there been apparent wisdom in the course of Congress in refusing to reduce unduly the expenditures of the Government.

It is plain that the continuation of payments for pensions, for public works, and for the various Governmental purposes has been a strong factor in preventing increase in the depression, and in hastening the return of prosperity.

The immediate administrators of the funds of the Government naturally prefer to show an excess of revenues over expenditures. It redounds both to their credit as skillful financiers and to the ease of administration. Therefore it is natural that those who look at the finances of the Government from a narrow administrative standpoint should always demand reduction of expenditures as the exclusive remedy in times of difficulty. Congress has no doubt pursued the wiser course in refusing to listen to this demand. It did not behoove that body to add to the existing stringency of conditions.

It may of course be said that in respect to its finances the Government should be so entirely independent of the business of the country that the difficulties of the one would not be affected by the operations of the other. Whether this entire separation under the institutions that prevail in the United States is possible or desirable, is another question. It is believed that there should be entire separation as far as the function of issuing currency is concerned.

But however this question is answered the financial crisis of 1893 found the Treasury interests bound up with those of the business and industrial interests, and they could not well be separated during the succeding period of depression without causing further disaster. The Government in continuing the usual volume of its expenditures has therefore gained more by the support this expenditure has given to several lines of industry encouraged by it, and the people who were supported by it in various lines of occupation, than it has lost by the deficits which have occurred. Already, contrary to expectation, the deficit has turned out smaller than estimated. The indications of a sure return to prosperity are numerous. With this return to prosperity revenues will rapidly increase and the deficit that has caused natural apprehension will disappear.

The MAGAZINE, however, is no advocate of extravagance in Government expenditures. The tendency in this direction both in State Legislatures and in Congress is such as to excite apprehension of all who have the good of the country at heart. But a certain degree of expenditure having once been entered upon, a period of depression would only be made worse by reducing it while that unfortunate condition continues. When prosperity returns, it then becomes the duty of wise administrators and legislators to retrench and prepare for future periods of industrial decadence.

The United States is so situated that it is very unlikely the country will ever become involved in serious conflict with foreign nations. The dangers to which we are exposed are internal. A financial and industrial collapse is to this country what expensive wars have been in the past and may again be in the future to nations less fortunately situated.

In time of peace prepare for war, has been the maxim observed among those nations from time immemorial. In an industrial age and especially in a country where the arts of peace usually prevail, another maxim should be substituted, and that is in times of prosperous conditions so guide affairs that when reverses come they may be met with intelligence and effect.

The danger is that the lessons of adversity are apt to be forgotten too easily.

THE DELAY IN CURRENCY REFORM is due to several causes. The first and most important was the necessity of regulating the laws for the raising of revenue so that the expenditures of the Government could be met. Of course, there are differences of opinion as to the methods that should be adopted and the Administration can only carry out a policy by securing a congressional majority in its favor. The people rely upon the President to carry out promises made in the campaign, but they exaggerate his power to do so and forget the nature of the power he really does possess.

The present Administration, while pledged to the maintenance of the present standard of value, was elected by a party that has held that the main difficulty with the finances of the country was the deficit in revenue caused by an unwise change in the tariff laws. This party also admits that defects in the currency laws have also had a bad effect, although secondary to the main cause.

It was, therefore, to be expected that on the calling of the extra session of Congress the tariff would be first considered. It was not only the more important question from the standpoint of the Administration, it was also the easier of settlement. The President can only secure his wishes through the consent of Congress, and there were fewer diversities of opinion to be reconciled and more alacrity in taking up the tariff issue than in taking up that of the currency.

To secure and maintain the necessary supporters in both houses of Congress the President has to maintain amicable relations with the members. Unless he does so the fruits of his Administration will be very scarce. A President without a competent majority in Congress is a more pitiable spectacle than a prime minister without a majority in parliament. The latter can, to a certain extent, exercise coercion upon recalcitrant members by threatening a new election. If he is forced to carry out this threat, and finds himself still in a minority, he can, as a last resort, throw up the thankless job of trying to act without means, and let some one else try.

But a President with Congress in opposition is absolutely powerless in regard to new legislation, and to resign is not according to the traditions of our institutions. To hold a majority in a legislative body requires constant attention and exertion and the employment of all legitimate means for influencing the members.

When the attitude of Congress toward the currency reform question is considered carefully it will be found that there is no subject upon which opinions are more at sea. The main line of reform that has been indicated in the demands of experts has been the retirement of the legal-tender and, perhaps, other Government notes, and the substitution of some form of bank currency. The President's message indicated reform in this line, and it may be safely said that this would be most generally accepted as what is meant by currency reform. But there is also a large number of people who consider the necessary change to be the free coinage of silver. There are others who believe in bimetallism by international agreement ; others who believe in the issue of notes by State banks, and still others who believe in increased issues of Government notes. Many of these beliefs are so diametrically opposed that they cannot be reconciled.

The substitution of bank for Government notes is, however, not incompatible with a change of the present standard of value, either to the free coinage of silver or to a standard based on some international agreement as to the ratio between gold and silver. Whatever the standard, the bank notes would be redeemable therein.

In reality the dread of a bank currency that lies at the bottom of the opposition to the banks, is based on the belief that such a currency would at once do away with the main argument for silver dollars with the mass of those who now support free silver, or a bimetallic modification of it. Most people who support free silver or bimetallism, pseudo or real, do so because they think there is not enough money in circulation. In other words, they believe in inflation of the currency. Now with a bank currency there would always be inflation, such as business requires. They recognize this, but the class spoken of do not want an inflation controlled by the banks. They have been too much impressed by the idea, inculcated by demagogues, that the banks would control this inflation in favor of the moneyed classes as against others. Therefore, they want either silver or paper controlled by the Government over which, by means of votes, they think they can exercise more immediate control by votes and public clamor than over the banks. The Government is nearer to them and more easily controlled than the banks. By delegating the issue of currency to the banks they are persuaded that they lose control of the money question. They do not perceive that the Government can control the issues of the banks as easily as it can control its own, by the method of delegation of the power to them.

In fact it is no real question of the standard that causes the trouble in reforming the financial laws of the United States. The mass of people know very little about a standard. They are concerned with the amount of money in circulation and the power to make it as great as possible. The root of all financial fallacies is the belief that the more money in the aggregate the easier for the individual to get what he wants. The banks are looked upon as standing in the way of inflation. All of the shades of conflicting opinion arising from this potent root are represented in Congress. There is also a great deal of indifference founded on the truly American idea that the country has great resources and must in the end thrive in spite of bad laws.

The proposition has been made to utilize the hostility to the banks by making them keep their reserves and redeem their notes in gold. This might be associated with the duty of issuing the currency of the country. In fact if it could be impressed on the minds of the people that the proper functions of banks is to assist the Government and the business public in all credit transactions, and that while rendering this assistance they only receive the same proportion of profit as is paid to those who render services of any kind, it would go far to do away with the senseless hostility to the banks.

It is thought that good effects will come from strong recommendation of an adequate financial plan by the Secretary of the Treasury in his report to Congress in December. This report, strongly endorsed by the President, will launch the subject under the best auspices, and perhaps a better feeling will then prevail throughout the country. Business may have revived, and it will also be known whether any international agreement as to bimetallism is possible.

THE PROSPECTS OF BIMETALLISM by international agreement appear to be as uncertain as ever. From time to time reports are received as to the progress made by the commission of gentlemen sent abroad by the President to sound the feelings of European powers as to such an agreement. These reports are generally of a vague character, that no difficulties will be thrown in their way by the potentates of Europe or their prime ministers, or even that they will render the commission all the assistance in their power towards the accomplishment of the object they have in view.

But more lately that distinguished bimetallist, Prof. E. B. ANDREWS, has arrived from abroad and announces that "there is actually considerable prospect, owing to the manifest strength of the bimetallic interest in America, that France will agree beforehand to open her mints to silver." "If," adds the professor, "we reopen ours, even without such an agreement, France is certain to follow the United States. If France and the United States proceed, or either alone, Great Britain will heartily co-operate to the fullest possible extent short of coining full legal-tender silver at London; the India mints will reopen, the Bank of England will lay in a silver reserve and, perhaps, half-sovereigns be withdrawn in favor of silver certificates; further than this England will not go. European bimetallists nearly all think American initiative the sure way to international bimetallism."

This sounds very strong at first sight, but there are too many "ifs" and other qualifying terms in it to make it entirely satisfactory to any one less critical than the average American bimetallist.

It is remarkable that a few short years ago all genuine bimetallists in the United States were extremely positive that there could be nothing so fatal to genuine bimetallism as the free coinage of silver. This American initiative of which Professor ANDREWS speaks is nothing under the sun but the opening of the mints of the United States to the free coinage of silver. The advocates of free coinage of silver, like Messrs. BRYAN and TELLER, do certainly seem to have a right to style themselves bimetallists, since the bimetallists both in America and Europe now pronounce in favor of free coinage as the sure road to bimetallism.

The bimetallists are almost sure of France, and the certainty of England's doing something is assured, if either France or the United

States start in. To be sure, to an outsider it does not seem much that England is said to promise, but we agree with Prof. ANDREWS that it is a great deal to obtain from so obstinate a gold standard country as England.

Bimetallists, no doubt, regard such an admission as the entering wedge which will eventually disrupt this prejudiced obstinacy. Notwithstanding these favorable reports as to the encouraging progress made by the delegates from the United States, many of the out-and-out advocates of free coinage bimetallism still persist in regarding an international monetary conference as a fraud and a delusion. They refuse to believe the glowing reports sent over by these sanguine explorers of the European field. They have little confidence that France, much less England, will in reality repent and surrender its gold standard views.

In fact it must be confessed that there is reason to suspect that many of the encouragements that are extended to the people of the United States to go in and tackle the silver problem single-handed, are prompted by interested motives.

The nations of Europe having almost universally adopted the gold standard, are many of them loaded down with a surplus of subsidiary silver, or of silver coins once full legal-tender, but which practically are now subsidiary. These coins are kept at par by various banking devices which are difficult and costly to maintain.

If a country of such resources as the United States undertakes the free coinage of silver, it will afford a market at a good price for much of this surplus silver. The financiers of these nations are not averse to having this country pull their chestnuts out of the fire. The miners of the United States who are producing new silver do not, naturally, wish to have the bulk of this old stock come into competition with their new product.

There are also features of discouragement to bimetallists in the increased production of gold in Russia and Africa and more recently in the wonderful Klondike region in the Northwest Territory. If one-half of what is told about the latter be true, there is to be anticipated an increase in the production of gold that may have an effect on the minds of men similar to that experienced after the great discoveries of gold in California and Australia in 1849-50.

The fear was then openly expressed that all prices would be unsettled and the value of invested capital seriously affected. At that time the conditions were different in that the mints of most civilized countries were still open to silver, and there was no increase in the production of silver corresponding to that in gold. Although there was some increase in the price of silver as compared with gold, yet it did not amount to what was anticipated. Now silver has been shut out from the mints. Its production has also enormously increased, and there is a potentiality of a still greater increase with any tendency to rise in price. It is of course impossible in so short a space of time to be sure that the value of gold may not sink in relation to silver, if there is a sufficient supply of the former, but it is probable that with the demand for gold that the wide adoption of the gold standard has created, all of the new supply will be readily absorbed without more than a healthy effect on the business world. The new supply will tend to give a firmer support to the system of credit that now rules the commercial world, and thus infuse an element of confidence that will enliven all enterprise.

Inasmuch as much of the demand for bimetallism arises from a belief that the gold of the world forms too narrow a basis for credits, the appreciable broadening of this basis will deprive the argument for the use of silver of a portion of its apparent force. The gold that has so far been obtained in the Klondike region has been the product of placer mining. These rich deposits in the beds of the rivers of Alaska and the Northwest Territory indicate, as they did in the rivers of California, a source either in the original quartz or in gravel beds that is proportionately rich. The placer mines of the Klondike are reported to be rich beyond any of similar character ever known, richer than those of California or Australia. The gold already obtained has been gotten by the crudest and simplest methods. If the back lying deposits from which the waters have brought the placer deposits are as proportionately rich, the production of gold with the introduction of new and improved machinery and methods will be beyond anything ever known.

It is certain that while some of the conditions of climate and distance are against the easy procurement of gold, there are others in its favor. There is abundance of water at all seasons, and in this respect when hydraulic mining is introduced it will have great advantages over the same form of mining in California.

On the whole there seems to be a prospect of a very important increase in the world's production of gold that may continue to augment for a number of years. If this should prove to be correct the work of rehabilitating silver will prove more and more difficult, as the supply of gold becomes sufficient for the increasing business of the world.

It is hardly to be expected that these increased difficulties will prove discouraging to the advocates of bimetallism who have in the past shown great capacity for maintaining a cheerful disposition under the most dispiriting circumstances. But the rise in the price of wheat, due to the large foreign demand, will deprive them of one of their stock arguments in favor of reopening the mints to silver.

THE BUSINESS REVIVAL AND CURRENCY REFORM.

Now that there are unmistakable and gratifying signs of a revival in the industries and commerce of the country, a disposition inimical to currency reform may be expected to be manifested by those who easily forget the lessons of adversity.

Doubtless nothing was to be gained by pressing this subject upon the recent session of Congress, as it became apparent early in the session that currency reform was not to be included in the programme. But with the reassembling of Congress next winter, the issue is sure to arise, and if it is not settled by the legislative body it will be fought out before the people in the national elections of 1898, for that that there is a growing sentiment in favor of a permanent adjustment of the matter cannot be doubted by any careful observer.

Many politicians are not disposed to give full credit to the manifestations of popular sentiment in any overwhelming direction. The politician feels himself deprived of his importance when he is deposed from his position of riding the whirlwind and directing the storm. As a rule he desires to minimize the results which he cannot conscientiously claim. In the late campaign the professional politicians were at a discount. The main issue was one which they have always avoided. It was forced on them by the intelligence of the people themselves.

What did the campaign in favor of sound money mean? How did it come that the monetary issue so absorbed the attention of the intelligence, wealth and population of the country? Was it a mere debating society that had its set discussion? Was it a purely sentimental and theoretical dispute conducted by disputants personally unaffected as to whether the gold or silver standard was the best? Was it analogous to a discussion as to the relative rank of the angels?

To those interested in that campaign it has been recognized as deciding an issue vital to every citizen of the United States. It came home to "the camp, the forum, the school;" to every home in the land. Was it simply a defensive fight just to preserve everything in *statu quo*, or was it the test of the feasibility of reforming the conditions that since 1893 have helped to depress all enterprise and discouraged the energies of the great mass of citizens. It is certain that there was an attempt founded in unreason to take a desperate course, and defy all established methods by which a nation can improve its condition.

To vote in favor of the gold standard was not merely to declare that standard to be theoretically the best, but to declare that methods shall be adopted to put it into practical and beneficial effect. The gold standard itself has been in operation in the United States since 1834, but it has never conferred its full benefits on the nation because in the various details which are necessary to place it in the best practical operation there have been serious practical defects. It was this failure to carry the currency system of

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the country based on a gold standard to a practical development that has given the opponents of sound money their most plausible arguments.

From 1834 to 1862 the banking system of the country was dependent upon the laws of the States. The credit currency was furnished by the State banks. Some were conducted on sound principles, but a sufficient number were not, so that financial revulsions were constantly recurring. From 1862 to 1879 the country did business with an irredeemable paper currency. In the mean time, in 1878, a foundation had been laid for a circulating medium of silver. The fall in price of this metal left the currency founded on silver as a dead weight upon the nation to be lifted by great sacrifices to the level of the legal standard. From the resumption of coin payments in 1879, the country has taxed its resources to maintain the gold standard in the face of an immense coinage of silver dollars deficient in intrinsic value.

It is plain that even with the gold standard the business of the United States cannot reach and maintain the normal limit of prosperity unless approved currency laws are enacted.

The ideal system in civilized and enlightened nations of the rank of the United States is a basis of gold coin, supplemented by sufficient fractional silver coin. On this basis the banks issue a credit paper currency, which expands or contracts with the wants of business, redeemable at all times in the coined money of the country. The United States has departed from this ideal by issuing its own notes and by practically forbidding the banks to exercise the note-issuing function.

The decision of the last election was not only to maintain the gold standard but to put that standard into full effect. Broadly stated, this can be done by retiring Government notes and relegating the issue of credit paper money founded on the gold standard to the banks of the country.

One obstacle to an ideal currency system in the United States is the silver certificates. These, however, may be regarded as the representatives of the silver dollars coined and, altogether, silver certificates and silver dollars as a subsidiary silver money. The amount is, of course, excessive at present, but in a few years the country may not find it burdensome. Such as it is, the obstacle of the silver certificates and dollars may be disregarded. Another obstacle is the legal-tender notes of 1862 and the Treasury notes of 1890. These may be retired, or they may be absorbed in the operations necessary to reform the note-issuing function of the banks of the country.

During the last three years several plans have been suggested for reforming the currency system. The points in view with most of them are to retire the legal-tender and Treasury notes and to place upon the banks the duty of furnishing the paper currency required to supplement the coined money. These plans may be divided into two classes—first, those which contemplate an enlargement of the system under which the National banks now issue currency. This system is founded on the bonded debt of the United States. At present a National bank issuing notes must procure them from the Comptroller of the Currency by making a deposit of bonds with the U. S. Treasurer. The bank can obtain ninety per cent. of the par value of the bonds deposited. There is, moreover, nothing compulsory in the amount of currency which each bank may take for issue. Above a certain minimum of bonds which each is required to deposit, whether circulation is taken out or not, the mere question of its own profit or convenience is the only one which the bank has to consider. When bonds are low in price the profit on circulation is greater. The demand for United States bonds for investment by the general public has so raised the price of bonds that as a rule the National banks have found no profit in issuing notes. Moreover, the fluctuations of the bond market do not correspond with the demand for currency.

A system like the national system, based entirely on the public debt, with no power of expanding the issues beyond a certain percentage of the security deposited, is admitted by all to lack the element of elasticity which a practical bank note currency should possess. The plans for the enlargement of the present system contemplate a larger percentage of issue on the security and a reduction of the tax on circulation. This might, perhaps, be sufficient if there was any prospect of an increase of the public debt to an extent that would for some years render it easy for the banks to obtain bonds at prices realizing a respectable rate of interest. As it is, there seems to be no prospect of any such increase of the debt. In fact, the probability is great that after the revival of business and the adjustment of revenue laws, the reduction of the debt will again commence and go on as before. There is every reason to believe that this will be the course pursued. Any plan that does not provide more certainly for the future than a mere enlargement of the principle on which the National banks now issue notes must be unsatisfactory. The evils of the rigidity of such a system are sure to be felt within a few years.

The other class of plans propose an issue of notes by the banks based on their own credit, good management being insured by Government supervision.

Under such supervision and the enactment of proper laws there is no doubt that a safe and elastic currency could be issued by the banks, State and National.

It is claimed that the sentiment of the present Congress is decidedly averse to retiring the greenbacks, the Senate being especially pronounced in its opposition to anything that would "fasten the gold standard on the country."

It is not assumed that this estimate of the sentiment of either the Senate or House is correct, or if correct that it is unalterable, for the force of intelligent public opinion has been known to exert a pretty strong pressure upon those bodies, as witness the passage of the law repealing the Sherman Act, which passed the Senate despite a very strong silver sentiment then existing in that body.

But even if Congress is not disposed to retire the greenbacks, it is no doubt due to political timidity and not to any lack of conviction of the wisdom of such a change in our currency system. There is an apparent disposition, too common in official circles, to underrate the intelligence of the masses of the people, while the favorite device of the demagogùe who proceeds on this presumption of ignorance is to create antagonisms and to play upon the prejudices that are supposed to be held by those in moderate circumstances against those who have been more fortunate; but the late national campaign showed that this course was not effective.

It is to be hoped that the question of readjusting the currency system may not have to be made a political issue; but if it should be, the decision will no doubt be as wise as that made in favor of the gold standard at the late election.

MONEY ORDERS AND CIRCULAR CHECKS.

Considerable attention has been attracted to the recently-devised circular check system adopted by the banks of the State of Georgia, an account of which appeared in the proceedings of the bankers' association of that State. If the device is successful in every particular, we may look to its being adopted quite generally; and it is not impossible that banks may, in some measure, regain a portion of that constantly-growing business of effecting transfers of small sums of money which, with the revenue derived therefrom, has in the past quarter of a century been to a considerable extent taken from the banks by the postal and express money-order systems.

Few people appreciate the amount of the transfers of money effected by these means, and most of the readers of this MAGAZINE will no doubt be surprised to learn that during the fiscal year ending June 30, 1896, the post offices of the country issued 23,962,053 domestic money orders, involving the enormous sum of $172,100,649.02. For this service the Government received in fees $1,410,077.76 or an average of 5.88 cents for each order issued; the orders themselves averaging in amount $7.18 each. The amount of such orders handled by express companies cannot be ascertained, but judging by the numbers of the orders, the volume of their business in this line must be considerable.

To indicate the growth of the business of the Government money order offices since the organization of the system in 1865, the following statistics are presented:

DOMESTIC MONEY ORDERS—UNITED STATES.

YEAR.	*Amount of orders issued.*	*Receipts from fees, etc.*
1865	$1,360,122.52	$11,536.40
1870	34,054,184.71	235,557.05
1875	77,431,251.58	494,717.27
1880	100,352,818.83	917,091.58
1885	117,858,921.27	925,125.03
1890	114,362,757.12	951,293.63
1895	156,709,089.77	1,292,331.97
1896	172,100,649.02	1,411,466 85

A steady increase is manifested excepting during the period about 1890, when the postal notes took the place of money orders to a considerable extent. The charges for the postal orders have from time to time been appreciably reduced; but notwithstanding this the revenue has steadily grown, and during 1896 it exceeded the expense of the system by $730,646.64.

In addition to this the foreign money orders issued now amount to very nearly fourteen million dollars, and number a million—giving an average of about $14 per order. The revenue derived was in 1896 $177,021, showing an average cost per order of 18 cents.

It will be observed that the public pays the post office more than eight-tenths of one per cent. for this service of transferring money, a rate which

This Check is VOID if issued for over FIFTY DOLLARS.
Not payable by any of the Banks named after sixty days.
If held longer it must be presented to Bank issuing same for payment, and will be paid by said Bank at any time on demand.

SERIES A.

CIRCULAR CHECK

ADOPTED BY THE MEMBERS OF THE

NO.........................

DATE ISSUED

MONTH .... DAY 189

Georgia Bankers' Association.

This Check will be cashed at par if properly endorsed at any Bank named on the back hereof, or any Bank a member of the GEORGIA BANKERS' ASSOCIATION,

To the order of .... *of* .... $ [ ] c. [ ]

the sum of .... *Dollars,* .... *Cents.*

Issued by .... *at* .... *Georgia.*

The .... *New York City is authorized to pay this Check and charge to our account.*

.... *Cashier.*

is greatly in excess of the average paid for domestic exchange furnished by banks.

The minimum charge by the express companies is three-tenths of one per cent., and the maximum (on orders of $5 and under) one per cent.; with probably an average fee of one-half of one per cent., which is also much larger than the ordinary charges for exchange on the part of banks and bankers.

It is not unreasonable to suppose that the sums transferred by express companies will bring the total of the money-order business of both classes to $225,000,000.

The growth of this business has no doubt been chiefly due (aside from the requirements of the large number of places not furnished with banks), to the disinclination on the part of banks to draw small drafts, especially for the general public. Not only is the business of issuing drafts for small sums, for which only a very small charge would be exacted, apparently too insignificant to trouble with; but it has ordinarily been regarded as attended with considerable risk, in the absence of protection against check raisers.

In this latter particular the post office and the express companies have in recent years protected themselves by the adoption of devices, simple in form and almost a sure safeguard; in addition to this the maximum sum for which orders can be issued is limited to $100.

The chief element which must be considered in the plan proposed by the Georgia Bankers' Association is that of safety. The limitation of the amount to $50 is no doubt a step in that direction. But it will probably be found convenient to remove this limit. If the devices adopted to secure the checks against "raising" are satisfactory, no reason is apparent why their use should not in the near future become very much extended, and thus bring back to the banks the business of effecting small transfers of money.

In this connection it may be of interest to scan the statistics of the postal money transfers of the United Kingdom of Great Britain and Ireland. The business is now (and since 1880) divided into two general classes:—"money orders"—corresponding with our orders of the same designation, and "postal orders" which are similar to the "postal notes" in use for several years in this country, and payable to bearer.

Unlike our people, the British appear to have taken a great fancy to the postal note form, as the figures will show:

DOMESTIC MONEY AND POSTAL ORDERS—UNITED KINGDOM.

YEAR.	*Money orders.*	*Postal orders.*
1865	£17,820,289	....
1870	19,983,989	....
1875	26,493,090	....
1880	24,515,395	*£1,662,090
1885	22,263,899	10,096,770
1890	23,925,981	18,814,276
1895	24,953,332	22,759,282

* 1881, the first year in which they were used.

The money orders issued reached the maximum in 1877 when 18,756,072 were called for, involving £28,078,364; in 1895 the number had diminished to 9,190,304, although the amount showed only a relatively small decrease. On the other hand the number of postal orders reached 60,681,078 in 1895, a remarkable total when it is borne in mind how extensively checks are used in Great Britain.

M. L. MUHLEMAN.

FOREIGN BANKING AND FINANCE.

The Economic Situation in Japan.

The forcible transfer of capital from China to Japan, and the stimulating effects of the recent war, appear to have produced the same results upon commercial movements which were produced in Germany after the Franco-Prussian war. A letter from Tokio in "*L'Economiste Francais*" of July 10 declares that the effects of the development given to industry, commerce and a multitude of great national works, as well as the rise of prices of all articles of primary necessity, were continued during all of the year 1896, rendering severe the pressure for money. The excess of imports over exports, which was constantly growing, created a degree of fear among the well-informed in financial matters, which was heightened by the news of inundations and hurricanes and intensified the spirit of distrust in the financial and commercial world. From September to October there were at Osaka suspensions of payments by one or two banks and at Tokio occurred protests of bills of exchange by several great cotton and silk commission houses. These events were regarded as the precursors of a perilous situation and the banks of the Empire redoubled their vigilance and reduced the demand for credit by raising the rate of interest. The general opinion was that the country was upon the eve of a crisis, but disastrous effects were averted which might have been felt without the precautions taken by the institutions of credit, and the end of December found the financial market calm and serene. An indication of the commercial activity following the war is afforded by the fact that the number of commercial societies, which was 622, with a capital of 57,168,500 yen on December 31, 1895, increased to 810, with a capital of 116,373,350 yen on November 30, 1896.

The Charter of the Bank of France.

The bill extending the charter of the Bank of France has successfully run the gauntlet of the lower chamber and is now in the hands of the Senate. The debate in the Chamber of Deputies was terminated on July 1 and the entire bill was passed by a vote of 396 to 91. The bill was taken up in the Senate on July 6 and a committee of eighteen members was appointed to give it consideration. The majority of this committee is favorable to the bill as it passed the chambers, except that there is opposition to the amendment depriving the Governor of the Bank of the right to sit in the national legislature. A great variety of amendments were offered during the closing days of the consideration of the bill in the chambers and the Government had a narrow escape upon several of them. The only case in which the Government was beaten, however, was in the minor matter of the legislative functions of the Governor and deputy governors. The provision that the functions of Governor of the Bank should be incompatible with legislative functions was carried by 303 votes against 236. It was then proposed to apply the same restriction to the deputy governors, regents and censors. The question was divided and the restriction applied to the deputy governors, but rejected by eighty-one majority in regard to the regents and censors.

The second article of the proposed new charter was adopted without discussion. This article describes the powers of the Bank, in discounting bills of exchange and other commercial paper of fixed maturity not exceeding two months and endorsed by merchants, agricultural or other syndicates and by other persons notoriously solvent. An amendment was proposed by way of an addition to this article, authorizing the Bank to accept paper bearing two solvent signatures. It was declared by M. Cochéry, the Minister of Finance, that this amendment would disorganize the business of the Bank as now conducted by abolishing the functions of intermediaries and compelling the Bank to be much more strict in accepting paper than under the present practice. The amendment was rejected by 305 votes against 254. A long discussion occurred on the amendment proposed by M. Jaures, in favor of the creation of a central bank of agricultural credit, which should be established by means of a loan of 500,000,000 francs from the Bank of France. The Government, in combating this amendment, laid stress upon the fact that local banks were much more safe and efficient than a central bureaucratic institution for the extension of credit of this sort. M. Jaures endeavored to force the hand of the Government by a motion that all discussion upon the pending charter should be adjourned until the Government brought in a special project upon agricultural credit. This motion was defeated on June 21, by 372 votes against 181. The amendment for a central bank of agricultural credit was then rejected by a vote of 397 against 109. Another proposition, that the Bank of France should furnish the capital of an agricultural bank to the amount of 60,000,000 francs, was rejected only by a vote of 287 against 258.

Several amendments of a socialistic character were offered to the article reported by the commission consecrating to the foundation of an agricultural bank a portion of the payments make by the Bank of France for its privilege. M. Maurice Lebon, in discussing one of these propositions—that the Bank should lend its support to syndicates and corporations of workingmen for the establishment of industrial enterprises—declared that such suggestions were a proof of the wisdom of refusing to transform the Bank of France into a bank of state, since a bank of state would be subject every instant to such demands and would become a sort of bank of providence rather than a properly conducted business enterprise. Under such a system, he declared, aid might be extended for a moment to commerce and industry, but the credit of France would soon disappear. This amendment was rejected by 359 votes against 152, and others of a similar character were rejected by large majorities.

Some discussion arose towards the close of the debate regarding the Bank of Algiers, which is in some difficulty. The ministry announced that they intended to ask the extension of the charter of the Bank of Algiers for two years, in order to afford opportunity for consideration as to its future. M. Toussaint offered an amendment, that in case of continental war the cash reserve of the Bank of France should be at the disposition of the Government for the purpose of national defense. This was rejected by a vote of 387 against 62. The Government refused to disclose their secret treaty with the Bank in regard to the action to be taken in case of war and refused to state whether the Government would assume the right to issue paper notes.

The Savings Banks of France.

The rapid growth of the Savings banks of France during the last quarter of a century is set forth in a striking manner in an article in "*L'Economiste Européen*" of July 9. The first French Savings bank was authorized by a decree of July 29, 1818, but it was not until 1835 that the dozen or more banks which had been founded were organized upon a uniform system. The number of books then out was 121,500 and the deposits were 62,200,000 francs ($12,000,000). The revolution of 1848 resulted in the failure of some of the banks and an arrangement by which they repaid their depositors with national securities instead of cash. The rate of interest paid was reduced under the Empire and a limit of 1,000 francs put upon the amount allowed upon any one account. The postal Savings banks were not created until 1880, and they do not yet carry more than a quarter of the aggregate deposits. The same Act raised the maximum deposit to 2,000 francs and permitted the amount to be deposited at one time. This brought into the Savings banks, for investment in national securities, much capital which might better have been employed in other channels. The rate of increase of deposits in both classes of banks during the last few years is indicated by the following table:

DECEMBER 31.	*Private Savings Banks*		*Postal Savings Banks.*	
	No. of Accts.	*Amount Due.**	*No. of Accts.*	*Amount Due.**
1869	2,130,800	711.2	....	.....
1875	2,365,600	660.4	....	.....
1880	3,841,100	1,280.2	......	.....
1885	4,987,600	2,221.3	692,500	154.1
1890	5,761,400	2,911.7	1,604,600	413.4
1896	6,626,700	3,370.8	2,688,100	786.1

* Millions of francs.

Great Britain's Investments Abroad.

An interesting review of the growth of British investments in foreign countries is presented in "*L'Economiste Européen*" for June 25, in the discussion of some of the results of Victoria's reign. These investments had attained some magnitude at the beginning of the reign and investors had already suffered losses in 1837, when a loan to Buenos Ayres had been in default for ten years, a Colombian loan for eleven years, one of Guatemala for two years, of Peru for twelve years and of Mexico for six years. Investment abroad went on expanding, however, in spite of the demand for railway capital at home, until Great Britain became the owner of many of the railways, mines and industrial societies of the world. M. Edmond Théry, the editor of "*L'Economiste Européen*," considers one of the English estimates a trifle excessive, which puts the foreign loans of Great Britain at £3,000,000,000 ($15,000,000,000). He states that the foreign securities actually owned by British capitalists do not exceed 55,000,000,000 francs ($11,000,000,000), providing an annual revenue of about £80,000,000 ($400,000,000). The net excess of British imports over British exports has for several years past been in the neighborhood of £130,000,000, but so far as this computation is accurate at all, the difference to be accounted for, in excess of interest payments on foreign loans, may be attributed largely to the freight earnings of British vessels. As M. Théry remarks, even the adoption of the lowest figures explains wonderfully the universal preponderance of the financial markets of England.

The Banks of South Africa.

A review of the experiences of the banks of South Africa during the past ten years is made in the London "Economist" of June 19, including the presentation of the balance-sheets for 1896. The South African banks have had two great crises to face—one connected with the opening of the diamond mines, which attained their highest output in 1881, and the other relating to the later discoveries of gold in the Witwatersrandt region. The collapse of the diamond boom carried the deposits and current accounts of the Standard Bank, the strongest institution of South Africa, from £7,350,256 at the close of 1883 down to £4,768,914 at the close of 1886. Only three banks doing business in 1886 now survive, two having suspended payments in 1890. Two new banks were formed in 1891, and the effect of the gold boom may be judged from the increase of the aggregate deposits of the banks from £8,147,239 on December 31, 1886, to £28,179,671 on December 31, 1896. The Standard Bank held £13,490,121 of this amount in 1896, the Bank of Africa £4,378,209, the Natal Bank £2,849,676, the African Banking Corporation £3,722,305, and the National Bank of the South African Republic £3,739,360. The increase has been almost wholly within the past three years, since the deposits at the close of 1893 were only £14,215,075. The combined liabilities of the banks, which were £13,090,519 at the close of 1886, were £38,388,196 at the close of 1896. All the countries of South Africa have participated in the extension of banking facilities, the number of branches of the banks having risen from 87 in 1886 to 200 in 1896. The offices in Cape Colony increased from 61 to 89, in Natal from 10 to 16, in the Transvaal from 4 to 55, while there are now banking offices in the Orange Free State, Rhodesia, East Africa and Zululand.

The Associated Swiss Banks.

The general meeting of the associated Swiss banks took place on June 12, at Berne, under the Presidency of the Bank of Basle. The central committee, consisting of the Bank of Basle, the Bank of Commerce of Geneva, and the cantonal banks of Berne, St. Gall and Vaud, was unanimously continued. A proposition of the Bank of Geneva, that the matter of importing five-franc pieces be taken in charge by the association and the cost divided among the banks *pro rata* in the proportion of their note issues, was recommitted to the committee without prejudice. A proposition was also referred to the committee, upon the proposition of the Bank of Basle, for the revision of the existing agreement between the banks, with the view to the creation of a central bureau of transfers, or clearing-house, and in a general manner for rendering the existing *regime* of the plurality of banks of issue as advantageous as possible for the public, even though the system was soon to be superseded. The committee for considering these subjects was increased by the addition of the cantonal banks of Zurich, Schaffhausen and Neuchatel and the Italian Bank of Switzerland at Lugano. A proposition of the Bank of the Grisons was adopted, for calculating discount hereafter for paper drawn and payable at a single place in Switzerland upon the basis of a year of 360 days, and a month of 30 days. This provision went into effect on July 1.

The Gold Standard in Japan.

It will be difficult, in the opinion of the Yokohama correspondent of the London "Economist" (in the issue of June 19), for the Japanese Government to retain gold in the country after it begins gold payments. The imports of gold during 1896 exceeded the exports by 8,221,000 yen ($4,100,000), and during the first two months of this year the excess was 13,166,000 yen, but the view that gold will be exported is based upon the continued depreciation of silver, which has carried it below the ratio fixed by the new coinage law. Regarding the position of the Bank of Japan, the correspondent of "The Economist" declares:

"The note circulation on December 31 last was 188,000,000 yen, with a treasure reserve of 41,600,000 silver yen and 89,000,000 silver yen worth of gold; whereas on April 24 this year, a lapse of barely four months, the note circulation was 174,000,000 yen, against a reserve of 47,800,000 silver yen and 55,400,000 silver yen worth of gold. It will be seen from these figures that during the period from December 31, 1896, to April 24 this year, whilst gold has been so largely imported, the gold reserve of the Bank of Japan has declined from a value in silver yen of 89,000,000 yen to 55,400,000 yen, being a reduction of 34,000,000 yen. How this has occurred is not explained, but it is probably represented by a transfer from the Bank of Japan to the Government Treasury, where the gold will be required later on for the purpose of redeeming silver yen, and no doubt the transfer forms part of the scheme connected with the indemnity. This, however, is only surmise; but anyway it would be more to the credit of Japan and more satisfactory to the public generally if matters of this kind were made less mysterious."

Coinage of the Latin Union.

Negotiations have been set on foot by the Swiss Government for the assembling of representatives of the Latin Union States, with a view to some additional coinage of subsidiary silver. M. Lardy, the Swiss Minister at Paris, has been authorized to sign a convention, subject to the approval of the Federal Assembly, amendatory of the monetary convention of November 6, 1885. Article nine of that convention limited the subsidiary silver coinage of each country of the Union to an average of six francs per head, coined upon the basis of 0.835 fine. Article six prescribed that the public offices of the contracting states should accept these coins issued by other states to the amount of 100 francs. The exodus of subsidiary silver from Italy in 1892 and 1893, under the influence of the depreciation of her paper currency, flooded France and Switzerland for a time with an excess of silver. The conference held at Paris in 1893 resulted in an arrangement on November 15 by which Italy agreed to take back her silver pieces at their face value in gold and to pay for them half in gold and half in bills of exchange. France by a law of March 22, 1894, approved this arrangement and on July 25 prohibited the importation of Italian silver money. The sum of 75,182,000 lire was returned to Italy in silver and France coined 12,000,000 francs in pieces of two francs, one franc, and 50 centimes, which brought her silver up to the limit permitted in 1885. The increase of population and the disappearance of much of the silver heretofore coined has now made it necessary to increase slightly the amount in circulation, in order to promote the convenience of small transactions. The question has at once been raised where the silver shall be obtained for the new coinage—whether it shall be purchased in bars in the market or shall be obtained by melting down the big five-franc pieces which are piled up in such quantities in the Bank of France, the National Bank of Belgium, and the banks of Switzerland. It is significant of the sobriety and intelligence of the French bimetallists that they are willing to have the subsidiary silver obtained by melting down the five-franc pieces. M. Edmond Théry, the accomplished editor of "*L'Economiste Européen*," says in the issue of July 2:

"So long as the problem of international bimetallism shall not be solved and so long as the Latin Union proceeds under the *régime* of the convention of 1885, France ought energetically to oppose any new coinage of silver money by the Latin Union, because the present state of our exchanges would have the effect of bringing into our circulation the larger portion of the money issued by our associates. If the new subsidiary coins decided upon by a future conference are minted by each country from five-franc pieces bearing its imprint and already in circulation, there will be only a transformation of the white metal and the quantity of coined silver will not be increased for the aggregate of the contracting states. We believe that this is the solution which the conference will adopt."

Circulation of the Bank of Germany.

The necessity of extending the limit of circulation of the Imperial Bank of Germany continues to attract attention in Europe and is the subject of an interesting communication by M. Arthur Raffalovich in "*L'Economiste Francais*" of July 3. The limit of notes which might be issued without a metallic coverture was fixed in 1875 at 250,000,000 marks which has been increased to 293,000,000 marks by the lapsing of the circulation of some of the smaller banks. Every mark beyond this amount must be represented by an equal amount of coin or become subject to a tax of five per cent. It was supposed, when this legislation was framed, that the rate of discount at the Bank would be raised in order to contract the circulation when any portion of it became subject to the five per cent. tax. This has not been the case—not because the Bank has failed to exercise due prudence in raising the discount rate when the exchanges were unfavorable, but because the needs of domestic circulation have been constantly increasing. M. Raffalovich says upon this point:

"If one groups year by year the cases in which the bank has been compelled to pay a tax to the state, one finds that seven times the discount has not varied. It would seem to result from this that the system conceived by Michaelis has not operated as its author expected. It seems that the Bank of Germany has not hesitated to sacrifice the interests of its shareholders to considerations of a more general character. It has distinguished between the demand for notes caused by the interior needs of the country and the circumstances in which a drain of gold abroad might occur. It has been guided not by the importance of the demand to be satisfied, but by its quality and nature."

The bank has, for these reasons, failed to raise the rate of discount above five per cent. on twelve of the twenty-six occasions on which it has been compelled to pay a tax upon the excess of its note issues. The necessity of either abolishing the limit or advancing it several hundred million marks is beginning to be recognized by the Minister of Finance, and some change is likely soon to be proposed by the Government. One of the changes suggested is the modification of the rate of tax so that it will follow a sliding scale proportioned to the discount rate.

Banking and Financial Notes.

—The condition of the Imperial Ottoman Bank has not been improving during the past two years. The assets fell from £19,603,918 on December 31, 1894, to £13,231,731 on December 31, 1896. The bills receivable fell during this period from £1,676,906 to £633,136 and the advances on securities from £4,920,797 to £2,590,705. The political disturbances in Turkey, and the fact that the Bank has made large advances to the Government, are the chief cause in the decline, but it is charged that the Bank stimulated speculation during the boom in "Kaffirs" in 1895 by advancing money to its customers with which to carry the securities. The dividend of the Bank for 1896 was fixed at five per cent., as compared with six per cent. for 1895 and eight per cent. for 1894.

—The demand for new capital for foreign loans and domestic companies in Great Britain during the first half of 1897 is close to the high total of 1896, the total applications having amounted to £75,892,700, as against a total of £79,494,000 for the same period of 1896. Foreign Government loans have taken £5,055,400, Colonial Government loans £9,278,300, British municipal and county loans £4,082,500, foreign railways £3,268,000, exploration, land and financial companies £3,627,500, cycles and appliances £5,624,000, breweries and distilleries £10,145,700, stores and trading £4,262,000, mineral water companies £3,480,000, and manufacturing companies £3,511,900. The money actually called up during the half-year amounted to £35,481,000.

—The rise of the premium on gold in Paraguay to 700 per cent. has at last persuaded the Government to take measures to bring about a reform. The Government has organized a bureau of conversion, whose task will be to regulate the price of gold. It is declared that when the Government desires a rise or fall in the quotations, the bureau will receive its instructions and take the necessary measures for carrying them out. This is all the information attainable at present on the subject, but apparently the purpose of the new bureau must be to buy and sell exchange with a view to influencing the market. This course is some times effective with strong governments or banking houses, but with weak establishments a temporary rise in exchange is apt to be followed by a disastrous reaction which is beyond the power of the Government or the bank to control.

—The weekly report of the Austro-Hungarian Bank for June 19 showed that the bank's stock of gold increased during the week by 8,000,000 florins, a greater increase than was ever before reported in a single week. Austria is pursuing persistently and firmly the policy of accumulating gold under the currency laws of 1892, with a view to the resumption of gold payments. The Bank owned in gold and gold bills, in August, 1892, about 94,500,000 florins, which has been increased in less than five years to 394,500,000 ($150,000,000). The Bank received notice on June 16 that £120,000 had been despatched in Australian sovereigns, and received on June 19th 1,500,000 florins in bullion and American coin. A purchase of £20,000 was made the following week in London at the price of 77 shillings, 11 5-8 pence per ounce, and this has been supplemented by the shipment of $1,500,000 in gold bars from New York on July 31.

C. A. C.

*LOANS OF THE UNITED STATES.

TREASURY NOTES OF 1837.

In the year 1836 the United States was for the first time in the history of the country practically out of debt. The Secretary of the Treasury, in his report to Congress dated December 8, 1835, estimated the amount of the public debt still outstanding at about $328,582.10, and this remained unpaid solely because payment had not been demanded, ample funds to meet it having been deposited with the Bank of the United States and with the Commissioners of Loans. The outstanding debt consisted mainly of unclaimed interest and dividends, and of claims for services and supplies during the Revolution, and of old Treasury notes, and it is supposed that payment of these had not been asked for because the evidences of the debt had been lost or destroyed. At the same time the estimates of the receipts and expenditures showed the probability of a surplus of at least $14,000,000 in the Treasury at the close of the year 1836, and this estimate was as events showed far below the truth. In this favorable state of the public finances Congress adopted the extraordinary resolution of depositing the surplus over $5,000,000 with the several States, and under the Act of June 23, 1836, surplus revenue amounting to $28,101,644.91 was so deposited.

In 1837, however, the state of the country had changed. The flush times of 1835 and 1836 had been succeeded by extraordinary depression and panic. In May most of the banks suspended specie payment. The sales of the public lands and the duties on large importations of goods which had helped to swell the balance in the Treasury to over $42,000,000, had fallen off enormously. Even on the goods already imported, it was difficult to collect the duties, for the law required them to be paid in specie and specie was hard to obtain. It became impossible to deposit the fourth installment of the surplus with the States at the end of 1836, and even to meet the current expenses of the Government from the ordinary revenues.

The Secretary of the Treasury suggested that contingent authority be given the President to cause the issue of Treasury notes bearing six per cent. interest. The bill to authorize the issue of not exceeding $12,000,000 was introduced in the House of Representatives September 13, and debated at length in both the House and Senate. It was supported on the ground that the issue of Treasury notes was absolutely necessary, there being already a deficit of $2,000,000 likely, in the condition of the country at that time, to increase; and that so large an amount added to the circulating medium would tend to alleviate the prevailing distress. The bill was opposed by those who thought greater economy in expenditures would relieve the

*Continued from the April, 1896, number of the BANKERS' MAGAZINE, page 545.

This series of articles, which began in the JOURNAL for October, 1893, page 1074, will be continued from time to time until it includes a complete historical sketch of the loans of the United States from the foundation of the Government up to the present.

Treasury, and by others who denounced it as an attempt "to start a Treasury bank." The bill passed the House by a small majority, while in the Senate there were but six votes against it. It was approved October 12, 1837.

It authorized the President to cause the issue of Treasury notes in such sums as the exigencies of the Government might require, not exceeding in the whole $10,000,000, of denominations not less than $50, redeemable one year after date, bearing interest from their respective dates for one year at rates to be fixed by the Secretary of the Treasury, but not to exceed six per cent. They were to be issued in payment of debts due by the United States to such public creditors or others as chose to receive them in payment at their par value; were to be transferable by delivery and assignment indorsed on them by the person to whom they were made payable, and were receivable in payment of all duties and taxes laid by the United States, of all public lands sold by the same authority and of all debts due to the United States, credit to be given for the interest due upon the notes at the time of payment. The Secretary of the Treasury was authorized to borrow not below par such sums as the President might deem expedient on the credit of the notes.

Under this Act the full amount authorized, $10,000,000, was issued.

TREASURY NOTES OF 1838.

The condition of the country and the public finances was no more favorable at the close of the year 1837 than at its beginning. There was in the Treasury January 1, 1838, an apparent balance of over $34,000,000, but of this amount the largest portion consisted of unavailable funds. It was made up of the amount deposited with the States, $28,101,644.91; of money belonging to the Government deposited with suspended or insolvent banks; of amounts due from merchants on bonds given for duties on imports, difficult or impossible to collect, and of various other items, aggregating altogether so large an amount that the Secretary estimated the available balance at the close of the year at $1,118,393 only.

It is probable that this estimate was too large, as the President informed Congress in May, 1838, that the available means in the Treasury were only $216,000. Demands to a large amount were suspended in the Departments, waiting payment from means yet to be provided by Congress, and the resources on hand could carry the Government but a few days longer. The dues to the Government being largely paid in the Treasury notes of 1837, which the Department was forbidden to reissue, the revenue was practically almost nothing, and it became absolutely necessary to provide additiona means. A bill to allow the issue of Treasury notes was introduced in the House May 23, passed both the House and Senate after a long debate, in which the same objections were urged as to the Treasury notes of 1837, and was approved May 31, 1838. It was, when introduced, entitled, "A bill supplementary to an Act entitled an Act to authorize the issue of Treasury notes," and it was stated that no additional notes were intended to be issued, but that only the old notes paid in were to be replaced by new ones. The title was however changed before its passage to, "An Act authorizing the issue of Treasury notes to meet the current expenses of the Government."

This Act authorized the Secretary of the Treasury, with the approbation of the President, to cause Treasury notes to be issued, according to the provisions of and subject to all the conditions, limitations and restrictions contained in the Act of October 12, 1837, in place of such notes as had been or might be issued under said Act and afterwards paid into the Treasury and cancelled.

Under this Act the sum of $5,709,810.91 was issued. The odd sums represent the interest accrued.

TREASURY NOTES OF 1839.

The power to issue and reissue Treasury notes under the Acts of October 12, 1837, and May 31, 1838, expired on December 31, 1838. The Act of March 12, 1839, extended this time to the 30th of June next ensuing, and was passed at the instance of the Secretary of the Treasury, who informed the House that it would be impossible to meet the demands upon the Treasury without it.

Under this Act the sum of $3,857,276.21 was issued.

TREASURY NOTES OF 1840.

The President of the United States informed Congress by a special message dated February 17, 1840, that although the resources of the Treasury for the whole year would probably equal the expenditures, yet the Department might, notwithstanding, be unable to meet the claims upon it when they fell due, because the larger part of the charges upon the Treasury, including the payment of pensions and the redemption of Treasury notes, fell due in the early part of the year, while the resources upon which it might otherwise rely would mostly be unavailable until the last half of the year, and a portion being debts due from banks might not be punctually paid.

To remedy this inconvenience, the Act of March 31, 1840, was passed, all though strenuously opposed as unconstitutional and unnecessary, the House of Representatives being in session at one time for twenty-five hours on the bill.

It renewed the provisions of the Act of October 12, 1837, except as to the amount of notes and the time in which they might be issued, and authorized the issue of Treasury notes in lieu of those which had been or might be redeemed, but not to exceed, in the amount of notes outstanding at any one time, the sum of $5,000,000, to be redeemed sooner than one year if the means of the Treasury would permit, by giving sixty days' notice of those notes which the Department was willing to redeem, no interest to be allowed thereon after the expiration of the sixty days ; the Act to continue in force one year and no longer.

Under this Act the sum of $7,114,251.31 was issued.

TREASURY NOTES OF 1841.

The Secretary of the Treasury, in his report on the finances, dated December, 1840, estimated that, at the close of the year 1841, there would remain in the Treasury an available balance of but $824,273, and that even this small balance might entirely disappear, and an actual deficit of several millions be found, under the operations of the compromise tariff Act of 1833, which was rapidly lowering the amount of customs duties levied, aided by fluctuations in the amount of goods imported, which had fallen off during the year 1840 nearly sixty millions of dollars.

To ward off the danger of this possible deficit, the Act of February 15, 1841, was passed. It authorized the President to cause Treasury notes to be issued for such sums as the exigencies of the Government might require, but not exceeding $5,000,000 of this emission outstanding at any one time, to be reimbursed in the last quarter of the year, if the condition of the Treasury would permit, the notes to be issued under the limitations and provisions of the Act of October 12, 1837, as modified by the Act of March 31, 1840, and if on the 4th day of March next ensuing the Treasury notes outstanding issued under the former laws added to the notes issued under this Act, should not exceed the sum of $5,000,000, then the President was authorized to issue such further sums as would make the whole amount of notes issued under this Act and applicable to payments after March 31, 1841, the full sum of $5,000,000.

Under this Act notes to the amount of $7,529,062.75 were issued.

Loan of 1841.

The President of the United States in his message to Congress at its extra session in June, 1841, estimated the probable deficit at the close of the year at $11,406,132.98, while the Secretary of the Treasury estimated the deficiency on September 1, at $5,251,388.30, and informed Congress that during the previous four years the expenditures had exceeded the revenue by $31,-310,014.20. The issue of Treasury notes, begun under President Van Buren's Administration and continued for four years, had been a mere temporary expedient to postpone for a few months the payment of a constantly-accumulating debt. The only remedy for these continually recurring deficits was by a loan redeemable at a time sufficiently distant to allow the public finances, aided by returning prosperity among the people, a chance of recovery.

A bill to borrow $12,000,000, redeemable after eight years, was introduced in the House June 14 and debated during many successive days. It was opposed by those who declared themselves averse to creating a national debt, by those who professed to see in it a scheme for starting a National bank, and by those who preferred the issue of Treasury notes to obtaining a loan. It was advocated by members who said it was not creating a debt but funding one which already existed, entailed on the country by an Administration which had just gone out of power, and that it was the more manly course to openly ask a loan, payable at some distant day, rather than continue the issue of notes which must return to the Treasury within a few weeks or months to cause another deficit.

The Act was approved July 21, 1841. It authorized the President to borrow on the credit of the United States, at any time within one year, a sum not exceeding $12,000,000, at a rate of interest not exceeding six per cent. payable quarterly or semi-annually, the loan to be reimbursable either at the will of the Secretary of the Treasury after six months' notice, or at any time after three years from January 1, 1842. The money borrowed was to be applied to the redemption of outstanding Treasury notes and to defray the public expenses.

The Secretary was authorized to purchase, at any time before the date mentioned for the redemption of the stock, such portion thereof as the funds of the Government might admit of, and any surplus in the Treasury was appropriated therefor. The faith of the United States was pledged for the punctual payment of the principal and interest.

Under this Act stock to the amount of $5,672,976.88, was issued.

Treasury Notes of January, 1842.

The loan proposed by the Act of July 21, 1841, owing to the short period which was to elapse before its maturity, does not seem to have met with much favor from those who had money to lend. Up to December 20, 1841, the amount received of the $12,000,000 asked for was only $5,532,726.38 while the estimated deficiency on January 1, 1842, was $627,557.90 and the estimated excess of expenditures over revenue for the year 1842 was $14,218,570.68.

In this emergency the Secretary recommended an extension of the time within which the residue of the loan not yet taken should be redeemable, the reissue of the Treasury notes heretofore authorized by law, and an increase of the duties on certain classes of imports. A bill to allow the issue and reissue of Treasury notes was introduced in the House January 5, 1842, and met with much opposition, on the old grounds of the unconstitutionality of bills of credit, of the inexpediency of adding to the paper money of the country, and also on the plea that economy would enable the Government to meet its expenses without causing a deficit in the Treasury. Its supporters denied that the bill was unconstitutional, and admitted that the best way to provide for the deficiency would be by obtaining a loan, but asserted that if a loan bill was passed, the money could not be obtained in this country and that it would be necessary to send the bonds to Europe for sale, which would consume much time, while the needs of the Treasury were urgent. It finally passed both Houses and was approved January 31, 1842.

The Act authorized the President to cause the issue of Treasury notes for such sums as the exigencies of the Government might require, the notes when redeemed to be reissued under the provisions and limitations contained in the Act of October 12, 1837. The amount of this emission was not at any one time to exceed $5,000,000. The authority to issue Treasury notes was also to expire at the end of one year from the passage of the Act.

Under this law the sum of $7,959,994.83 was issued.

Loan of 1842.

This loan was obtained under the Act of July 21, 1841, the provisions of which were extended by the Act of April 15, 1842. The bill was passed, like that for the issue of Treasury notes of January, 1842, to prevent the threatened deficiency in the Treasury. It was manifest that the power to keep outstanding $5,000,000 in Treasury notes could not make up a deficiency of over $14,000,000.

The bill was introduced in the House, December 21, 1841, and passed after long debate in which the responsibility for the condition of the finances was the subject of mutual party recrimination.

The Act extended the time limited by the first section of the Act of July 21, 1841, to one year from the passage of this Act, and provided that so much of the loan as was obtained after its passage should mature as might be agreed upon at the time of the issue of the bonds, not to exceed twenty years from January 1, 1843. The Secretary of the Treasury was authorized to dispose of the bonds below par, if par could not be obtained, but not until the loan had been duly advertised, and proposals for subscriptions invited. The President was also authorized to borrow an additional sum of $5,000,000, if the exigencies of the Government should require, under the same provisions and limitations.

Under this Act bonds were issued to the amount of $8,343,886.03 for which $8,301,468.23, was received in cash.

Treasury Notes of August, 1842.

The Act of July 21, 1841, authorizing a loan of not exceeding $12,000,000, provided that no stock be sold below par, and such was the state of the money market at that period that the Secretary found it possible to realize but a small portion of the amount needed to meet the existing emergency, while this restriction remained in force.

An amendment was attempted by the Act of April 15, 1842, allowing the Secretary of the Treasury, if the stock could not be sold at par, to dispose of it at lower prices, and also extending the time of redemption to not more than twenty years from January 1, 1843, but it was still found impossible to obtain par for the stock. To prevent its sacrifice a bill was introduced in the House to allow the issue of Treasury notes when the remainder of the bonds could not be sold at reasonable prices. It was stated in debate by the Chairman of the Ways and Means Committee, who introduced the bill, that the immediate liabilities of the country were $3,875,000, and that not one dollar was available to meet them ; that the loan must either "be sacrificed to the shylocks of the country," or other means must be given to the Secretary of the Treasury to meet these liabilities.

The bill met with little opposition. It was approved August 31, 1842. It provided that no stock authorized by the Act of July 21, 1841, and by the Act of April 15, 1842, amendatory of the same, should thereafter be sold below par ; and in case the stock could not be sold at or above par and the exigencies of the public service should require, the Secretary of the Treasury was authorized to issue in lieu thereof Treasury notes not more that $6,000,000 under the provisions and limitations of previous Treasury note Acts. The notes when redeemed might be reissued, or new notes issued in their stead, but none were to be issued after April 15, 1843, and the amount outstanding was never to exceed $6,000,000.

Under this Act notes to the amount of $3,025,554.89 were issued.

Treasury Notes of 1843.

These notes were simply new notes issued in place of such as had been issued under previous laws, and which had been or might be redeemed at the Treasury, or received in revenue payments. The necessity of their issue consisted in the fact that the estimated revenues of the year were but little in excess of the current expenses.

The national debt in March, 1843, was said to be $27,409,338, of which $11,068,977 fell due during the year and might be presented for payment. Under these circumstances it became necessary either to obtain a new loan, to increase taxes, always an unpopular expedient, or to issue new Treasury notes, as had been authorized at each session of Congress for six years past.

The course was adopted of giving authority both to obtain a new loan and to issue Treasury notes ; though this latter was characterized in debate as a mere temporary expedient to enable the Government to get along from day to day, and to maintain its credit without repudiation.

The law for the purpose was approved March 3, 1843. It provided that when any outstanding Treasury notes issued under former laws should, after the passage of this law, be redeemed at any time before July 1, 1844, the Secretary of the Treasury, should the public service require, might cause other notes to the same amount to be issued in their stead under the provisions and limitations of the Acts under which the notes were originally issued. It authorized the payment of interest after maturity on these new notes, and also on the notes issued under the Act of August 31, 1842.

Under this law notes to the amount of $1,806,950 were issued.

Loan of 1843.

This loan was obtained under the law of March 3, 1843, authorizing the issue of Treasury notes. The third section of this law empowered the President, if in his opinion it should be for the interest of the United States to do so, to cause to be redeemed and cancelled such of the Treasury notes then outstanding as they became due, by the issue of stock of the United States, under the limitations and provisions of the Act of April 15, 1842, except that no commissions were to be allowed to agents, and the stock should mature not later than ten years from its issue.

Under this Act stock to the amount of $7,004,231.35 was issued, most of it being sold at a small premium.

Treasury Notes of 1846.

War with Mexico was declared May 13, 1846. On June 15, the Secretary of the Treasury informed Congress that if the war should continue until July 1, 1847, there would be a deficiency of $12,587,000. To prevent this, by the issue of Treasury notes, a bill was introduced in the House of Representatives July 6, 1846 ; it passed both houses without much debate and became a law July 22, 1846.

It authorized the President to cause Treasury notes to be issued for such sums as the public service might require, and in place of such notes as might be redeemed to cause others to be issued ; but the amount outstanding at any one time was not to exceed $10,000,000. The notes were to be issued under the provisions and limitations of the Act of October 12, 1837, but the authority given expired one year from the passage of the Act.

Under this law $7,687,800 was issued.

Loan of 1846.

The second section of the law of July 22, 1846, authorized the President if in his opinion it was for the interest of the United States, instead of issuing the whole amount of Treasury notes authorized by the first section, to borrow on the credit of the United States such a sum as he might deem proper, but not exceeding together with the Treasury notes the limit of $10,000,000. The bonds were to be issued under the provisions and limitations of the Act of April 15, 1842, and to mature at a period not to exceed ten years from the date of issue. No commissions were payable to agents.

Under this Act the sum of $4,999,149.45 was delivered to the public.

Mexican Indemnity Stock.

The peculiar circumstances which gave rise to the issue of this stock are worthy of note as resulting from an ineffectual attempt to collect the money due American citizens on account of claims against the Government of Mexico.

By the terms of the convention of January 30, 1843, between the United States and the Mexican Republic, it was provided that on the 30th day of April, 1843, the Mexican Government should pay all the interest which might then be due on awards in favor of claimants under the convention of April 11, 1839. The principal of said awards and the interest accruing thereon to be paid in five years, in equal installments every three months, to commence April 30, 1843. These payments were to be made in the City of Mexico, to such person as the United States might authorize to receive them, in gold or silver money.

In accordance with these stipulations, an agent was duly appointed for the collection of the several installments as they respectively became due, and the Secretary of State was informed, by an official communication from the United States Minister at the City of Mexico, dated September 24, 1844, that the installments which fell due on the preceding 30th of April and 30th of July were paid to the agent authorized to receive and transmit the same, on the 27th of August of that year, and it was so reported to Congress. Upon examination into the facts, however, it was found that no money had been received. and an investigation was ordered, resulting in the development of a singular transaction on the part of the agent designated to receive the money from the Mexican authorities.

It appears from the correpondence relative to the affair, that for the avowed purpose of liquidating these claims, Santa Ana, the head of the Mexican Government, in May, 1843, decreed the collection of a forced loan, to be distributed in certain proportions through the various departments of the Mexican Republic, and paid at periods corresponding to those stipulated by the convention. This measure, essentially unpopular, was imperfectly enforced, while the temptation to misapplication of the funds collected, amid the difficulties by which Santa Ana was surrounded, were very great. Under these circumstances the Mexican Government was unable to pay the installment which became due April, 1844 ; and in July of the same year when another installment became due, the incapacity of that Government had become still clearer. The arrears then due and payable amounted to $274,-664.67.

The applications of the agent of the United States at the Mexican Treasury for the payment of these installments were evaded or disregarded, and he was informed there was no money in the Treasury applicable thereto.

Despairing of obtaining any direct payment, he made an arrangement with an English firm there of high standing, then believed to be successfully prosecuting a claim of large amount, by which they assumed the collection of the installments due the United States, in addition to their own claim and agreed to pay him the proportionate share of the collections made, gradually, as received by them from the Mexican Government. In pursuance of this arrangement orders to the amount of $274,664.67 on the various departments were given in favor of the agent of the United States by the Mexican

Government, and a receipt for the amount was given by him, as if it had been paid in money. These orders were handed over by him to the English firm, with whom he had made arrangement for the collection of the installments. Nothing was realized from these orders, but the matter of the indemnity was afterwards disposed of by article 13 of the treaty of Guadalupe Hidalgo, February 2, 1848, which reads as follows :

"The United States engages, moreover, to assume and pay to the claimants all the amounts now due them, and those thereafter to become due by reasons of the claims already liquidated and decided against the Mexican Republic, under the conventions between the two republics severally concluded on the 11th of April, 1839, and on the 30th day of January, 1843; so that the Mexican Republic shall be absolutely exempt, for the future, from all expense whatever on account of the said claims."

In 1846, the United States being at war with Mexico, a clause was inserted in the first section of the civil and diplomatic appropriation Act of August 10, providing for paying the principal and interest of the fourth and fifth installments of the Mexican indemnities due in April and July, 1844, the sum of $320,000, provided, that the claimants, "each for himself shall relinquish to the United States his rights to the installments, and that each claimant shall agree to take in payment the scrip of a stock bearing interest at five per cent., payable in five years."

Under this authority five per cent. stock amounting to $303,573.92 was issued.

Treasury Notes of 1847.

The estimate of the Secretary of the Treasury made in 1846 that there would be, on July 1, 1847, if the war with Mexico should continue and no new sources of revenue were supplied, a deficit of but $12,587,000, proved optimistic. Under the Act of July 22, 1846, a sum larger than his estimated deficit was obtained ; yet, in his annual report dated December 9, 1846, the Secretary was obliged to inform Congress that there would still remain a deficit of $4,779,042.01. In January, 1847, he appears to have informed the Chairman of the Committee of Ways and Means that the Treasury was nearly empty, and that there was immediate necessity for the issue of more Treasury notes, or a new loan.

A bill authorizing the issue of Treasury notes, or a loan, to the amount of $23,000,000 was introduced in the House of Representatives January 11, 1847, and passed both the House and Senate after an extended debate, in which the origin and conduct of the war with Mexico were discussed, and propositions brought forward to so amend the tariff on foreign goods imported as to increase the revenue. Especially it was proposed to lay a heavy duty on tea and coffee.

The Act was approved January 28, 1847. It authorized the President to cause Treasury notes to be issued for such sums as the exigencies of the Government might require, but not exceeding in the whole amount the sum of $23,000,000. No note was to be of less denomination than fifty dollars. The notes were to bear such interest from the date of issue until redeemed as should be fixed by the Secretary, and were redeemable in one and two years after date. The Secretary of the Treasury was authorized to borrow money on the credit of the notes, but no notes were to be pledged, hypothecated or sold at less than their par value, with accumulated interest.

They were to be paid to such public creditors as chose to receive them at par and were made receivable for all debts, duties and taxes to the United States. The Secretary was authorized to purchase the notes at any time but only at par for the principal and accrued interest. When any of the notes authorized by the Act were redeemed other notes might be issued in their stead, but the amount of notes outstanding at any time together with the scrip of the loan authorized at the same time, was not to exceed $23,000,000. The principal of the notes could be funded at any time in stock bearing six per cent. interest; redeemable at any time after December 31, 1867, and this privilege was also extended to the holders of notes issued under previous Acts.

The authority given by the Act of July 22, 1846, to issue Treasury notes was extended, by the fifteenth section, to the period fixed by this Act on the same terms and conditions, but the issue under this section was not to exceed $5,000,000.

Under this law Treasury notes to the amount of $26,122,100 were issued.

LOAN OF 1847.

The Act of January 28, 1847, which authorized the issue of $23,000,000 in Treasury notes, also authorized the President in his discretion, instead of issuing the whole amount of Treasury notes, to borrow on the credit of the United States, such amount as he deemed proper, on stock bearing six per cent. interest payable after December 1, 1867, the total amount so borrowed not to exceed the sum of $23,000,000. He also had authority to fund Treasury notes of previous Acts in such stock.

Under these authorities $28,230,350 in six per cent. stock was issued, most of which sold at a premium.

ARE AMERICANS THRIFTLESS.—Rev. John Watson ("Ian Maclaren"), in a recent number of "The Outlook," has this to say of the improvidence of the Americans:

"If one were placed in a witness-box he might be obliged to declare that they were distinctly thriftless. An American flings about his money with gorgeous prodigality. Times there are when a hard-bitten, poverty-stricken Scot cherishes a bitter grudge against his more friendly cousin. It is when he follows him in a continental hotel and finds the lackeys despise his poor vail after the royal largesse they have just received. We can only stand aside and wonder at our kinsman who gets his money so easily, who holds it so lightly, who spends it so lavishly—a man surely of a very princely habit and far removed above thought of saving. And yet it may be allowed us to shake our heads and have some misgivings as to whether this prodigality is for the good of individual character and the firm upbuilding of a people.

Is the ostentatious waste of food in hotels wholesome or justifiable, where the menu is bewildering in variety, and the portions supplied beyond all necessity, and more is taken away than is used? Does it conduce to stability and self-restraint to be quite indifferent about to-morrow, and to reserve nothing of to-day's earnings? Have not the farmers traded recklessly on the virgin resources of the land? Have not the forests been improvidently cut down? Is there not everywhere a certain want of prudence and management which cannot in the long run minister to moral strength or even to material wealth? If it be true, as is contended, that every great empire has been built up on thrift, this means that the homeliest of virtues does not end in the accumulation of money, but results in the creation of manhood. And the best friends of America, therefore, desire that amid all her prosperity she should not fall away into improvidence and luxury, but ever retain and cultivate that habit of simple and severe living, which was shown by her Puritan fathers."

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

NEW FORM OF DISCOUNT REGISTER.

On the opposite page is reproduced a new form of Discount Register, furnished the MAGAZINE by Mr. A. R. Barrett, late expert and bank examiner with the United States Treasury.

The column "Consecutive Numbers" is for the usual regular numbers; that called "Preceding Numbers," is to be used in cases of renewals, the regular number of the former note being recorded in this column. By this means, the bank holding the last note, it will be found a simple matter to trace back all renewals. It is sometimes important to know how often a note has been reneweed. Any officer of the bank, or the discount board, can by this method inform themselves in a moment. The column "Renewal Number" is for entering the regular number of the new note in case of a renewal. The number in this column opposite the sum noted in the column "When Paid or Renewed" would indicate that the payment was by renewal. This will also aid in tracing renewals.

By posting the payments daily from the tickler to the columns "When Paid or Renewed" and "Amount Paid or Renewed" a complete history of each note is kept. In the case of partial payments, the cash paid and the new note are both entered in the column "Amount Paid or Renewed." The blank spaces in these two last-mentioned columns should at all times correspond with the notes on hand, and can easily be verified from the paper by the examining committee, the discount clerk, or any one.

The footing of the column "Amount Paid or Renewed" deducted from the footing of the column "Amount" would show the total of the notes discounted on hand and should agree with the "Notes Discounted" account in the general ledger.

BANK JOURNAL FOR GENERAL ACCOUNTS.

Will T. Bissell, a bookkeeper in the First National Bank, Cleveland, contributes the following form and description to "The Bookkeeper" for July:

"The accompanying sketch (page 194) represents a journal for bank use which I have found quite satisfactory for city banks with a large number of bank correspondents. It can easily be applied to smaller ones also.

The names of the correspondent banks are printed in the center column and the headings are also printed as shown, thus saving all writing except the figures and an occasional explanation or remark. Collections and drafts are entered in their respective columns, and the footings are carried to the 'Total' column opposite their respective names. Cash letters are entered at once in 'Total' column opposite place marked 'Rem.' (remittance).

Date of Discount	Consecutive Numbers	Preceding Numbers	DRAWER	ENDORSER	To Whom Credited		Date of Note	Time	When Due	Amount	Discount	Proceeds	Renewal Number	When Paid or Renewed	Amount Paid or Renewed	Remarks

New Form of Discount Register.

Posting is done from 'Total' column only and is greatly facilitated by the fact that the position of an item shows at a glance whether it is a remittance, draft or collection, and can be so marked in ledger without referring to the outside column to see what the items are."

No.	Collect'ns	No	Drafts	Remarks	Totals		Banks		Totals	Remarks	Collect'ns	No.	Collect'ns	No.
						Rem.		Rem.						
						Drafts								
						Coll.		Coll.						
						Rem.		Rem.						
						Drafts								
						Coll.		Coll.						
						Rem.		Rem.						
						Drafts								
						Coll.		Coll.						
						Rem.		Rem.						
						Drafts								
						Coll.		Coll.						

BANK JOURNAL FOR GENERAL ACCOUNTS.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

CHECK—DELAY IN PRESENTATION.

Supreme Court of Alabama, April 15, 1897.

WATT *vs.* GANS.

The law imposes upon the holder of a check the duty of presenting it for payment within a reasonable time; and if he fail to present the check seasonably the delay is at his own peril.

A check drawn upon a bank in Greenville, Ala., was deposited on December 13, with a bank in Philadelphia, and on that day forwarded to a bank in Charleston, S. C., whence it was sent first to Montgomery, Ala., and thence to Greenville, Ala., whereby presentation was delayed until December 19. The drawee bank failed and closed its doors on December 18. Had the check been forwarded direct to Greenville, it would have reached there December 15, and in time to have been presented on the 16th : *Held*, that the delay discharged the drawer.

The drawer of a check may prove undue delay in presenting the check under a plea of payment of the debt for which the check was given.

This was an an action to recover for a bill of goods. The defendant pleaded payment. The following facts were agreed upon :

That on December 9, 1893, defendant mailed his check to plaintiffs, payable to their order, on Joseph Steiner & Sons, bankers, at Greenville, Ala., where defendant resided, for $389.25 ; said sum being the amount due plaintiffs after deducting the ten per cent. discount. That said check was received by plaintiffs December 12, 1893, after banking hours, the bank in Philadelphia being then closed. The plaintiffs placed said check in the Union National Bank at Philadelphia, with which plaintiffs did business, to be forwarded by said bank for collection for plaintiffs on the next morning, to wit, December 13, 1893 ; and said check was by said bank so forwarded to a bank of Charleston, South Carolina, on the same day ; the latter bank receiving it on December 15, and on the same day forwarded it to a bank at Montgomery, which said bank at Montgomery received it on December 18, 1893, and on the same day forwarded it to one A. G. Winkler, a merchant at Greenville, Ala., for collection. That said Winkler received said check on the morning of December 19, 1893, and immediately upon its receipt, and during banking hours, presented it to said Joseph Steiner & Sons, at their bank, for payment, which was then refused. Said check was thereupon duly protested, the protest fees amounting to $4.50, all of which is still unpaid. That on December 18, 1893, said Joseph Steiner & Sons failed, making a general assignment, and are now insolvent. That defendant had the amount of said check to his credit with said Steiner & Sons at the time of said assignment.

HEAD, *J.:* In general terms, it may be said that the law imposes upon the holder of a bank check the duty of presenting it for payment within a reasonable time; and, if he fail to present the check seasonably, the delay is at his own peril. What is a reasonable time will depend upon the facts in each case; yet, in the absence of exceptional circumstances, such reasonable time has been fixed. Thus. it has been defined to be "the shortest period within which, consistently with the ordinary employments and duties of commercial business, the duty of presentment and demand could be performed." (Boone, Banking, 173; Story, Prom. Notes, 497.)

In the case of *Savings Co.* vs. *Weakley*, (103 Ala. 458) this court recognized and applied the rule which requires the holder of a check, receiving it at the same place in which the drawee transacts business, to present it for payment within banking hours on the day it is received, or the following secular day. In the case now before us, a check drawn on a bank at Greenville, Ala., by the appellant, a debtor, was sent by him to the appellees, his creditors, at Philadelphia, Pa.; and hence we are required to determine what diligence the appellees ought to have exercised in the collection of the check, which they received and accepted at a place remote from the location of the bank upon which it was drawn.

Speaking of the duty of a holder of a check under the circumstances stated, Judge Story says: "Where he receives the check from the drawer in a place distant from the place of payment, it will be sufficient for him to forward it by the post to some person at the latter place on the next secular day after it is received; and the person to whom it is thus forwarded will not be bound to present it for payment until the day after it has reached him by the course of the post. If the payment is not thus regularly demanded, and the bank or bankers should fail before the check is presented, the loss will be the loss of the holder, who will have made the check his own by his laches." (Story, Prom. Notes, 493.)

A check is intended for payment, not circulation; and, as between the original parties to it, the time allowed for its presentation will not be enlarged by successive transfers. These principles seem to be well established, and to be recognized by the standard text writers. (2 Daniel, Neg. Inst. § 1592; Boone, Banking, 173; 2 Morse, Banks, § 421; Tied. Com. Paper, § 443; 3 Rand. Com. Paper, § 1106; Byles, Bills, § 20; Chit. Bills [13th Am. Ed.] p. 436.)

Undoubtedly cases may be found, some of which are cited by counsel for appellees, where a longer time than that above stated was, under exceptional and peculiar circumstances, allowed for presentation of a check. Here no extraordinary or unusual circumstances calling for a relaxation of the settled rule are presented; and hence the simple and definite requirement, imposing the duty of sending the check to a person, bank, or other collecting agency at Greenville for presentation, without the selection of a circuitous route, or the intervention of intermediate and successive collecting banks, whereby, of necessity, the presentation would be unduly delayed, must be applied. The appellees having received the check of the appellant on December 12, 1893, at Philadelphia, it was their duty to forward it to Greenville, Ala., at the latest, on the following day. This duty they could perform in person, or they might intrust it to a local bank. The latter course they pursued, by depositing the check on December 13, 1893, with the Union National Bank of Philadelphia for collection. This, however, did not enlarge the time for transmitting the instrument to the place of payment, and in the collection of the check the bank acted as the agent of the holders. In sending the check to Charleston, S. C., whence it went first to Montgomery, Ala., and thence to Greenville, Ala., the place of payment, whereby presentation and demand were delayed until December 19, 1893, after the failure of the drawee bank, there was negligence, imposing upon the appellees whatever loss the appellant suffered from the laches. (*Gifford* vs. *Hordell*, 88 Wis. 538; *Bank* vs. *Miller*, 37 Neb. 500.)

There is nothing in the evidence from which it can be inferred that the method pursued was within the contemplation or expectation of the appellant, nor that it was according to any previous course of dealing between the parties, or that he expressly or impliedly assented to the delay. Neither can we judicially know that any custom existed in Philadelphia whereby checks received for collection on Greenville, Ala., were sent by way of Charleston, S. C., for presentation; nor, if such a practice prevailed, that it was known to the appellant. If any one of these things, or all combined, would authorize the inference that he assented to the intervening delay, or could justify a holding that he could not complain of a delay—questions we do not now consider—it was incumbent upon the appellees to introduce into the record evidence of the existence of such facts. It is satisfactorily established by letters incorporated in the bill of exceptions, and from the postmarks on the envelopes, admitted to be the true dates on which the letters were mailed at Philadelphia and received at Greenville, that by due course of a mail a letter posted at the former place on December 13, 1893, at any time up to 7:30 o'clock P. M., would have reached the latter point not later than 10 o'clock, P. M. on the 15th of the same month, or within forty-eight hours. Thus, the original envelope sent up for our inspection shows that the letter inclosing a receipt for the check, mailed at 7:30 P. M. on December 12 at Philadelphia, arrived at Greenville at 1 o'clock P. M. on December 14, or in less than two days. Hence, if the check had been forwarded directly to Greenville on December 13, when it was sent to Charleston, it would, with the diligence the law requires, have been presented to the bank upon which it was drawn on Saturday, December 16, and, of consequence, prior to the failure on Monday, December 18. It may be that the appellees, or their local bank, had no correspondent at Greenville, although as to this the evidence does not inform us; or it may not have been convenient to pursue the course the law directs. If such was the case, they could easily have declined to accept the check. They were not bound to receive it, but having done so, and having undertaken its collection, they must bear all the burdens and exercise all the diligence imposed by law.

At this point the appellees invoke the well-recognized rule which declares that the drawer of a check has no cause to complain of delay in its presentation, if he has thereby suffered no loss or damage; and they contend that the appellant must show affirmatively that he had funds from which the check would have been paid, in the hands of the drawee, during the period within reach, by the exercise of due diligence upon the part of the holders, the check would have been presented. The contention is rested upon the fourth paragraph of the agreed statement of facts, which recites merely that the appellant had the amount of the check to his credit with the drawees at the time of their assignment and failure.

As the fact is thus presented, a question is raised as to the burden of proof. In most cases of this kind to be found in the books, there is positive evidence that the drawer had or had not funds to meet the check when drawn, or during the interval before the failure, or that he had or had not withdrawn his funds. In this case the parties have not advised us, by affirmative testimony or by agreement, as to the state of appellant's accounts with his bankers anterior to the time of their failure; and hence the refusal must turn upon legal presumptions arising out of the facts which are stated in the agreement of the parties, constituting the evidence in the case. The important inquiry is, where rests the burden of proof?

Without entering upon any prolonged discussion, it will be sufficient to say that the authorities are quite uniform in holding that checks are presumably drawn upon or against a deposit of funds, and where the drawer establishes negligence or undue delay in the presentation of his check, and the failure of the drawee bank after the expiration of the period within which, with due diligence, the check would have been presented, the presumption of injury arises, casting upon the holder the burden of proving that the drawer has suffered no loss or damage by the delay. (*Stephens* vs. *Park*, 73 Ill. 387; *Willetts* vs. *Payne*, 43 Ill. 433; *Anderson* vs. *Rogers*, 53 Kan.

542; *Little* vs. *Bank*, 2 Hill, 427; *Bank* vs. *Merritt*, 7 Heisk. 177; 2 Morse. Banks, § 421; Daniel, Neg. Inst. § 1588; Story, Prom. Notes. § 498; Edw. Bills & N. p. 398; 3 Rand. Com. Paper, § 1106, p. 94.) As Kent, J., said in *Cruger* vs. *Armstrong* (3 Johns. Cas. 5): "The presumption is that the check would have been paid, if diligently presented." The presumption of loss arising out of want of diligence in the presentation of a check, and the intervening failure of the drawee, may be rebutted by proof that the drawer had no available funds with the drawee to meet the check, or that he withdrew them before the failure. No such proof was produced in this case. On the contrary, it is admitted that the necessary amount, presumably in the bank, wherewith to pay the check, remained to the credit of the appellant, with his bankers, when the failure occurred, and it is further admitted that the proprietors of the bank were still insolvent at the time of the trial. In this state of evidence, the appellees failed to meet the burden resting upon them; the presumption of damage to appellant stands unrebutted; and the loss must fall upon the appellees, to whose want of diligence it is attributable.

The suit was brought upon the original debt in settlement of which the check was given, and the appellant, who was defendant in the circuit court, interposed the plea of payment. It is contended by the appellees that the defense arising out of the failure to seasonably present the check, whereby loss resulted, is not available under that plea. With this view we do not agree.

The correct rule is thus stated by Sterrett, J., in *Kilpatrick* vs. *Association* (119 Pa. St. 30): "It is well settled that, in the absence of an agreement to the contrary, a check or promissory note, of either the debtor or a third person, received for debt, is merely conditional payment—that is, satisfaction of the debt if and when paid—but that acceptance of such note or check implies an undertaking of due diligence in presenting it for payment, etc., and, if the party from whom it is received sustains loss by want of such diligence, it will be held to operate as actual payment." By failure of appellees to exercise proper diligence in the collection of the check, whereby the appellant, if held upon the original debt, would suffer loss, they made the check their own, and turned what was at first only a conditional payment into an absolute discharge of the debt for which the check was given. (Boone, Banking, § 181; *Savings Co.* vs. *Weakley*, 103 Ala. 458; *Middlesex* vs. *Thomas*, 20 N. J. Eq. 39; *Kahn* vs. *Walton*, 46 Ohio St. 195.)

The plaintiffs were not entitled to recover, and the circuit court erred in giving the affirmative charge in their behalf As the facts were agreed upon by the parties, and as no inferences entitling the plaintiff to recover were deducible therefrom, the court might well, upon request, without hypothesis, have directed the jury that upon the agreed evidence the defendant was entitled to a verdict. Let the judgment be reversed and the cause remanded. Reversed and remanded.

USURY—SET-OFF—CONSTRUCTION OF NATIONAL BANK ACT.

Court of Appeals of Kentucky, May 13, 1897.

MARION NATIONAL BANK *vs.* THOMPSON.

Under Rev. Stat. U. S. § 5,198, the penalty prescribed for taking usurious interest can be recovered only in a separate action brought for that purpose, and can not be made available as a set-off in an action by the bank to recover the principal sum.

PAYNTER, *J.:* On September 29, 1885, C. T. Thompson, with C. R. Thompson, surety, presented a promissory note to the Marion National Bank for discount, payable four months after date, for $4,304.40. The bank reserved the interest at 7 per cent. It paid Thompson $4,199.83, reserving $104.57, which was the interest for the time stated. The note was renewed every four months, and the three days of grace added. until November 27, 1893, when the note in question for $4,000 was executed. The interest was paid at the time of the various renewals, except June 7, 1887, June 22, 1889, July 6, 1891, March 8, 1893, July 24, 1893, and at these renewals the interest for the ensuing four months was added to the amount of the note which had been previously given. and the new note given for the amount of the previous note, and the interest thus added. From the answers which the Cashier of the bank made to the interrogatories propounded, and from his deposition, it appears that the interest thus added in the note was paid at dates subsequent to the time the interest was added in the note. At one time $620 was paid, at another a note for $316.25 was given, for the interest which had been embraced in the note. In all these renewals, interest was calculated at 7 per cent. The court below adjudged that all payments of interest at the several renewals from June 7, 1887, be applied as payments on the original sum borrowed. The court fixes, as the prnicipal of the debt, $4,199.83, and the credits as we have indicated, $2,133.93, being the aggregate payments of interest since June 7, 1887. The court also adjudged the note for $316.25 should be cancelled, because it was executed for installments of interest which embraced usury. In other words, the court has applied, as credits on the note, the amount actually paid at renewals, and also interest which had been embraced in the note, and subsequently paid. The legal rate of interest in the State is 6 per cent. per annum.

The Revised Statutes of the United States contain provisions as follows:

"Sec. 5,197. Any association may take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidences of debt, interest at the rate allowed by the laws of the State, territory or district where the bank is located, and no more, except that where by the laws of any State, a different rate is limited for banks of issue organized under such State laws, the rate so limited shall be allowed for associations organized or existing in any such State under this title. When no rate is fixed by the laws of the State, or territory, or district, the bank may take, receive, reserve, or charge a rate not exceeding seven per centum, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt is to run. * * *

"Sec. 5198. The taking, receiving, reserving, or charging a rate of interest greater than is allowed by the preceding section, when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. In case a greater rate of interest has been paid, the person by whom it has been paid or his legal representatives, may recover back, in an action in the nature of an action of debt, twice the amount of the interest thus paid, from the association taking or receiving the same, provided such action is commenced within two years from the time the usurious transaction occurred." * * *

A National bank is authorized to take, receive, reserve, or charge, on loans, interest at the rate of six per cent. If a greater sum than that is taken, received, reserved, or charged on any loan or discount made, it has violated the law. By section 5198, when this is knowingly done, there is a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, and which has been agreed to be paid thereon. As a penalty, if the bank has been paid the interest, the person by whom it has been paid, or his legal representatives, may recover back, in an action in the nature of an action of debt, twice the amount of the interest thus paid, providing such action has been commenced within two years from the time the usurious transaction occurred. If a note is given for a sum, and also an amount which is interest at the usurious rate, the note carries the interest with it, whether that be shown by the writing or not. If the note purports to draw interest at a usurious rate when there is an agreement to pay interest on the note, and the note is renewed for a given time at a usurious rate of interest, and that interest be embraced in the renewal note for the time it is to run, then the note carries with it the interest. So whatever usurious interest is embraced in the note, or whatever interest at a usurious rate it purports to draw, in an action on a note for such interest it must be adjudged to be forfeited. When the interest has been actually paid, then the person by whom it has been paid, or his legal representative, may recover back, in a separate action, in the nature of an action of debt, twice the amount of the interest thus paid. This latter provision is in the nature of a penalty.

In discussing this question in *Barnet* vs. *Bank* (98 U. S. 558) the Court said: "Two categories are thus defined, and the consequences denounced: (1) Where illegal interest has been knowingly stipulated for, but not paid, there only the sum lent, without interest, can be recovered. (2) Where such illegal interest has been paid, then twice the amount so paid can be recovered in a penal action of debt or suit in the nature of such action against the offending bank, brought by the persons paying the same, or their legal representatives." The court in that case sharply and clearly recognizes and draws a distinction between interest "stipulated for," and "not paid," and a case where the illegal interest has been paid. In *Bank* vs. *Dearing* (91 U. S. 32) the same distinction is recognized and stated. In that case (page 36) the Court, in stating the difference between the National Banking Act of 1863 and the present one, said: "In the Act of 1864, the forfeiture of the debt is omitted, and there is substituted for it a forfeiture of the interest stipulated for, if it had only been reserved, and the recovery of twice the amount where the interest had been actually paid." The Court in the same case said that the plaintiff below was entitled to recover the principal of the note sued upon, less the amount of the interest unlawfully reserved. The court in the case of *Bank* vs. *Hoagland* (7 Fed. 161): "By the terms of the Act of Congress, the charging of such rates of interest worked a forfeiture of the entire interest which the several notes carry with them. Now, such forfeiture was not waived by the giving of the subsequent notes, although, as respects them, the agreed rate of interest was a legal rate. They were mere renewals, and given without any new consideration. Nor did the new notes operate as payment of the debts for which they were given. In so far, then, as the notes in suit embraced the forfeited interest, they are without consideration."

Many cases could be cited to the same effect. As we have said, the court applied the amount actually paid at the several renewals of the note to the principal of the note. This was error The defendant was not entitled to apply, as an offset on the note, the sums of interest which he actually paid. The statute requires that, where the interest has been paid, the party paying it, or his legal representative, may recover in an action in the nature of an action for debt. As we have said, the recovery provided for is in the nature of a penalty, and can only be recovered in the manner provided by the statute. The statute denounced a penalty, and prescribed a remedy. When a statute creates a new offense and denounces a penalty, or gives a new right and declares a remedy, the punishment or remedy can be only that which the statute prescribes. (*Stafford* vs. *Ingersol*, 3 Hill, 38; *Bank* vs. *Lamb*, 57 Barb. 429.) This court has frequently enunciated the same doctrine. In *Barnet* vs. *Bank*, *supra*, at page 559, the Court said:

"While the plaintiff in such cases, upon making out the facts, has a clear right to recover, the defendant has a right to insist that the prosecution shall be by a suit brought specially and exclusively for that purpose, where the sole issue is the guilt or innocence of the accused, without the presence of any extraneous facts which might confuse the case, and mislead the jury to the prejudice of either party. The court held in that case that payments of usurious interest, such as were made in this case, could not be applied by the way of offset or payments to the obligation in suit."

This doctrine the court adhered to in *Stephens* vs. *Bank* (111 U. S. 197). That case was an action by a National bank against a surety upon a note to recover the amount of a note. It was held that he had no right to have usurious interests paid by the principal, in discount or renewals of the note, applied to the payment of the principal of the debt. The same doctrine was reaffirmed in *Driesbach* vs. *Bank* (104 U. S. 52).

An action to recover double the amount of usurious interest paid must be brought within two years after the transaction occurs in which the usury is paid. To illustrate: Suppose there have been several renewals of the note, the interest paid at each renewal, the cause of action accrues the instant the usury is paid. Unless it is brought within two years from the time of the usurious transaction, the statute bars the recovery. In effect, the court in this case adjudged the defendants to pay an amount equal to one-half of the penalties they would have been entitled to recover in an action brought within the time prescribed by the statute. It allowed them credit for sums which were in the nature of a penalty, and the right to recover had been barred. If we take the view that when the usurious interests was stipulated for, and embraced in the note, the cause of action accrued to recover double the amount of the interest so agreed to be paid, then an action to recover a penalty could be maintained before any part of the interest had been paid. Possibly, the note containing it might never be paid; yet the debtor may have recovered and collected his judgment.

No confusion can arise as to the meaning of the statute if we keep before us its language, which provides, in one state of case, the forfeiture of the entire interest which a note, bill, or other evidence of debt carries with it. or which has been agreed to be paid thereon; while, in a different state of case, to wit, when the interest has been paid, then the penalty is recoverable. In the one case it is for a reservation of the stipulation for the interest, while in the other case the payment of interest must actually have been made.

In considering this case, we have fully considered the cases of *Alves* vs. *Bank* (89 Ky. 126), *Bank* vs. *Alves* (91 Ky. 142), *Brown* vs. *Bank* (92 Ky. 609), *Sydner* vs. *Bank* (94 Ky. 231).

It results that the court properly cancelled the note for $816.25, but erred in not rendering judgment for the face of the note for $4,000, with interest from the date of the judgment. The case is reversed for proceedings in conformity with this opinion.

LIABILITY OF DIRECTORS—INTRUSTING ENTIRE MANAGEMENT TO PRESIDENT.

United States Circuit Court, Western District of Michigan, April 21, 1897.

GIBBONS *vs.* ANDERSON, *et al.*

It is the duty of the directors of a National bank to maintain a supervision over the affairs of the bank; to have a general knowledge of the manner in which its business is conducted, and of the character of that business; and to have at least such a degree of intimacy with its affairs as to know to whom, and upon what security, its large lines of credit are given.

The duty of the directors is not discharged merely by the selection of officers of good reputation for ability and integrity, and leaving the affairs of the bank without any other supervision or examination than by inquiry of the officer and relying upon his statements.

The bill in this case was filed by the complainant, as Receiver of the City National Bank of Greenville, to establish the liabilities of the defendants, Foster and Anderson, who were directors of the bank, for negligence in the performance of their duties as such, which it was alleged resulted in a heavy loss to the bank and its creditors. The bank was organized April 28, 1884, with a capital stock of $50,000. It suspended on June 22, 1893. The complainant was appointed Receiver thereof by the Comptroller of the Currency five days later, and on July 1, 1893, entered upon the discharge of his duties. The total liability of the bank to its creditors at the time of its failure was $287,738. The nominal value of its assets was about $826,000. but the total net amount which the Receiver was able to realize from the assets was only about $40,000.

The loss had occurred through the diversion of the funds of the bank by its President, who had loaned to concerns of which he was the sole or principal owner, sums aggregating $172,768.88, nearly all of which was lost to the bank.

SEVERENS, *District Judge* (omitting part of the opinion): They [the defendants] say, and have called witnesses to prove, that acting in accord with the usage and custom of National banks, and having called into the management a person in whom they had entire confidence, which was justified by his reputation, and committed the affairs of the bank to him, they were not bound to have doubt and distrust of his correct dealing until something occurred which should arouse suspicion. And this is their defense. The learned counsel for the defendants puts the question thus: "Whether a director in a National bank is individually liable for loss to the bank accruing through another director, viz., its President, when such mismanagement was not known to or participated in by the director sought to be charged?"

Or, in another form:

"Whether an individual director in a National bank is liable in his individual capacity for all losses occasioned by the mismanagement of the bank's affairs by a trusted officer through the neglect of the board of directors to meet and examine into the affairs of the bank."

These questions present in the most favorable light for the defendants what is undoubtedly the substance of the inquiry upon the facts which existed in this case, and which is, in short, this: Whether the duty of the board of directors is discharged by the selection of officers of good reputation for ability and integrity, and then leaving the affairs of the bank without any other supervision or examination than mere inquiry of the officer, and relying upon his statements until some cause for suspicion attracts their attention. Section 9 of the National Banking Act, being section 5147 of the Revised Statutes, provides that:

"Each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association."

And by section 5145 it is declared that the affairs of such association shall be managed by not less than five directors. The oath which the director is required to take, that he will diligently and honestly administer the affairs of such association, indicates the scope of his obligation. The management of the bank is cast upon the board of directors. The duty of managing and administering the affairs of the bank by the board of directors has been differently construed in decisions bearing upon the subject, but it is not necessary for me to analyze the cases, or to reconcile their apparent differences. Some of them have gone to a length which in my opinion is extremely dangerous to the public safety, and, if generally applied, would make these banking associations, which were designed to supply the people of the country with financial institutions hedged about with security on which their confidence might securely rest, the objects of doubt and distrust. The rule of decision by which my judgment in the present case must be guided is laid down in the case of *Briggs* vs. *Spaulding* (141 U. S. 132). Much of the discussion in that case was devoted to the consideration of the special circumstances upon which rested the charges made against the several directors. Those circumstances have little or no resemblance to those of the present case, and not much aid is afforded by that part of the discussion: for, as the court in that case observed, each case must stand upon its own facts. The directors in that case were held to be excusable. One very important and noticeable difference between that case and this is in the fact that the question there was narrowed down to one of fact, as to whether the defendants were fairly liable for not preventing loss by putting the bank into liquidation within ninety days after they became directors, the previous condition of the bank being admitted to have been good, whereas in the present case the defendants' neglect runs through quite a number of years. But the court laid down certain general rules by which the obligation of directors of National banks is to be tested; that is to say, they declare what is the minimum of that obligation. Chief Justice Fuller, delivering the opinion of the court, said:

"We hold that directors must exercise ordinary care and prudence in the administration of the affairs of a bank, and that this includes something more than officiating as figureheads. They are entitled, under the law, to commit the banking business, as defined, to their duly-authorized officers, but this does not absolve them from the duty of reasonable supervision; nor ought they to be permitted to be shielded from liability because of want of knowledge of wrongdoing, if that ignorance is the result of gross inattention."

In my opinion, it does not meet the requirements of this statement of the law that directors may confide the management of the operations of the bank to a trusted officer, and then repose upon their confidence in his right conduct, without making examinations themselves, or relying upon his answers to general questions put to him with regard to the status of the affairs of the bank. To begin with, it is to be assumed in every case that the directors have not selected any other than a man of good reputation for capacity and integrity. Any other idea assumes that they have been guilty at the outset of a glaring fault. Further, it is a well-known fact that a large proportion of the disasters which befall banking institutions come from the malfeasance of just such men, and it would be manifest to everybody that only a satisfactory and quieting reply would be made by the official who has any reason for concealment. Again, what are the duties of management that are committed to the Cashier, or the officer standing in his place? They are those which relate to the details of the business, to the conduct of particular transactions. Even in respect of those, his duties are conjoint with those of the board of directors. In large affairs it is his duty to confer with the board. In questions of doubt and difficulty, and where there is time for consultation, it is his duty to seek their advice and direction. It is his duty to look after the details of the office business, and generally to conduct its ordinary operations. It is the right and duty of the board to maintain a supervision of the affairs of the bank; to have a general knowledge of the manner in which its business is conducted, and of the character of that business; and to have at least such a degree of intimacy with its affairs as to know to whom, and upon what security, its large lines of credit are given: and generally to know of, and give direction with regard to, the important and general affairs of the bank, of which the Cashier executes the details. They are not expected to watch the routine of every day's business, or observe the particular state of the accounts, unlesss there is special reason; nor are they to be held responsible for any sudden and unforeseen dereliction of executive officers, or other accidents which there was no reason to apprehend. The duties of the board and of the Cashier are correlative. One side are those of an executive nature, which relate mainly to the details. On the other are those of an administrative character, which relate to direction and supervision; and supervision is as necessarily incumbent upon the board as direction, unless the affairs of banks are to be left entirely to the trustworthiness of Cashiers. Doubtless there are many matters which stand on middle ground, and where it may be difficult to fix the responsibility, but I think there is no such difficulty here. The idea which seems to prevail in some quarters, that a director is chosen because he is a man of good standing and character, and on that account will give reputation to the bank, and that his only office is to delegate to some other person the management of its affairs, and rest on that until his suspicion is aroused, which generally does not happen until the mischief is done, cannot be accepted as sound. It is sometimes suggested, in effect, that, if larger responsibilities are devolved upon directors, few men would be willing to risk their character and means by taking such an office; but Congress had some substantial purpose when, in addition to the provision for executive officers, it further provided for a board of directors to manage the bank and administer its affairs. The stockholders might elect a Cashier, and a President as well. The banks themselves are prone to state, and hold out to the public, who compose their boards of directors. The idea is not to be tolerated that they serve as merely gilded ornaments of the institution, to enhance its attractiveness, or that their reputations should be used as a lure to customers. What the public suppose, and have the right to suppose, is that those men have been selected by reason of their high character for integrity, their sound judgment, and their capacity for conducting the affairs of the bank safely and securely. The public act on this presumption, and trust their property with the bank in the confidence that the directors will discharge a substantial duty. How long would any National bank have the confidence of depositors or other creditors if it were given out that these directors, whose names so often stand at the head of its business cards and advertisements, and who are always used as makeweights in its solicitations for business, would only select a Cashier, and surrender the management to him? It is safe to say such an institution would be shunned and could not endure. It is inconsistent with the purpose and policy of the banking Act that its vital interests should be committed to one man, without oversight and control.

Recurring to the present case, it is clear that unless the board of directors is to be absolved upon the theory that they were justified in committing the affairs of the bank to Moore, and relying upon his good conduct, and his answers to the perfunctory questions which were occasionally put to him, until they were brought to the facts by the collapse of the bank upon the first prick of a financial stringency, such as came upon the country in the summer of 1893, they must be held liable. It is with sincere commiseration and regret that the court feels compelled to reach this conclusion, in view of the consequences which must follow to these directors. But there is another side to this matter. The court cannot ignore the rights and interests of the depositors, and others who have trustfully confided their money to the bank, and who now find that it was run through a shell into the hands of Moore, while the defendants turned their heads away, and failed to give them the protection which the proper discharge of their duties would have afforded. The records of the board of directors make a sorry showing, when put in contrast with the financial history of the bank. The entries are few, at long intervals, and are almost wholly limited to the election of directors and the declaration of dividends. They are feebly supplemented by the oral testimony of the defendants, which tends only to show that individual inquiries were occasionally made by them, of a comparatively superficial character. There was no examination of the books; at least, none of any value. If there had been such examination by a fairly intelligent man, such as a director promises he is, the condition of things would have been seen. It is not irreconcilable with what they declared, when the bank failed, with respect to their knowledge of its affairs, and with what I must believe was substantially the truth of the matter. It may be conceded that the members of the board were not responsible for the malfeasance or nonfeasance of their associates, where the fault of the others was not known to them, and they were helpless to prevent the consequences; but in the present case the charge of negligence rests upon the whole board, and there is nothing to show that the defendants took any steps to retrieve the consequences of the joint negligence. If the defendants had been able to show that they themselves had done what they could to induce the board to attend to its duty, a different case would be presented.

PROMISSORY NOTE—PROVISIONS FOR COSTS OF COLLECTION FOR EXCHANGE.

Appellate Court of Indiana, June 8, 1897.

NICELY *vs.* WINNEBAGO NATIONAL BANK.

A provision in a promissory note for "costs of collection" does not destroy the negotiable character of the instrument. But a provision for the payment of "exchange" will have this effect.*

This was an action by an indorsee upon two notes for $500 each, in the usual form, except that they also included the provision "with exchange and costs of collection." The defendants, who were the makers, set up as a defense, a failure of consideration as between them and the payee. The question presented to the court was, whether the notes were negotiable so as to preclude this defense.

WILEY, *J.* (omitting part of opinion): We are clearly of the opinion that the averments of each of the paragraphs of answer under consideration were sufficient to constitute a defense to the notes sued upon, on the ground that the consideration had wholly failed, and this defense is available here against the appellee if the notes are non-negotiable. A promissory note is an open promise in writing by one person to pay another therein named, or to his order or to bearer, a specified sum of money absolutely and at all events. (Daniel, Neg. Inst. § 28.) A promissory note, to become negotiable by the law merchant, must possess at least five essential requisites. First, it must be an open promise for the payment of money; second, it must contain a certain, definite, and fixed promise; third, it must be payable unconditionally and at all events; fourth, the amount to be paid, the date, and place of payment must be certain; and, fifth, the instrument must be delivered. (Id. §§ 31, 35, 41, 53, 63.) If the notes sued upon in this case are wanting in either of these essential requisites, it removes them from the class of negotiable instruments, and leaves them subject to any defense the makers would have against the original payees. We think it clear that the clause in the notes "and costs of collection" does not destroy the negotiability of the instrument. The great weight of authority is that notes that waive benefit of valuation, appraisement, and exemption laws, and provide for payment of attorney's fees, do not destroy the negotiability by rendering the amount to be paid uncertain, for, as was said in *Nicely* vs. *Bank* (15 Ind. App. 563, 44 N. E. 572): "If the note is paid promptly at maturity, the contingency upon which they would arise does not become effective." The expression or clause in the notes in suit "and costs of collection" must be regarded as surplusage, and not destructive of the negotiability of the notes sued on, for the reason that no costs of collection could accrue if the notes had been paid when due. The promise or obligation in a promissory note to pay attorney's fees and costs of collection presents an entirely different proposition than an obligation to pay "with exchange," because it does not change or make uncertain or indefinite the amount the payer has agreed to pay at maturity. Such conditions in a note only go so far as to provide for a contingency arising upon default in payment.

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*By the Negotiable Instruments Law it is provided that the sum is a sum certain within the meaning of the Act, though it is to be paid with exchange, whether at a fixed rate or the current rate. (Sec. 21, Laws N. Y. 1897, ch. 612.)

Speaking of the class of cases holding that promise to pay attorney's fees does not destroy the negotiability of a note, Mr. Daniel says:

"These cases consider that the stipulation is valid because it is an indemnification, assured by the maker against the consequences of his own act, for, unless in default, he will not have to pay the additional amount; that it is consonant with public policy, because it adds to the value of the paper; and has a tendency to lower the rate of discount. * * * and that it does not impair the negotiability of the instrument, for the reasons that the sum to be paid at maturity is certain; that commercial paper is expected to be paid promptly; that, if so paid, no element of uncertainty enters into the contract," etc. (Daniel, Neg. Inst. §§ 61, 62, and authorities there cited.)

This leaves the sole question for our consideration, does the clause in the notes "with exchange" destroy their negotiability? In *Hughitt* vs. *Johnson* (28 Fed. 865) in passing upon the question as to whether a clause in a note providing for payment with exchange destroyed its negotiability, Justice Brewer said:

"Now, this is a stipulation which affects the amount to be paid, and the amount to be paid at the maturity of the paper, and in that respect differs from those stipulations for the payment of attorneys' fees in case of collection. * * * But this stipulation renders uncertain the amount to be paid at the maturity of the paper. It is exchange, and what that exchange will be no one can tell."

Culbertson vs. *Nelson* (Iowa, 61 N. W. 854) is one of the leading cases upon the subject under consideration. Many authorities are collected and cited, and ably reviewed, and the conclusion reached is that a draft containing the words "with exchange" destroys its negotiability. It was held in that case that an instrument, to be negotiable, among other things, must bear upon its face absolute certainty as to the amount to be paid; and where a draft or note is payable with exchange, as exchange is constantly fluctuating, the amount to be paid at maturity is thereby rendered uncertain. So long as exchange is a matter of fluctuation or uncertainty, and so long as we subscribe to the doctrine that a negotiable instrument must be definite and certain as to the amount to be paid at maturity, it must be held, and we must adhere to the doctrine, that the words "with exchange" render such instrument non-negotiable. In Michigan it was held that a promissory note containing a stipulation to "pay all taxes aassessed against the real estate and the mortgagee's interest therein, described in a mortgage given to secure this note until it is paid," was not negotiable, on the ground of uncertainty as to the amount to be paid. (*Walker* vs. *Thompson*, 66 N. W. 584.) In *Bank* vs. *McMahon* (38 Feb. 283) Judge Shiras said: "As already stated, the question is whether a note which provides that the several installments of interest as they become due, and also the principal sum, shall be paid at Council Bluffs, Iowa, with exchange on New York, is or is not negotiable according to the rules of the law merchant. Upon this question the authorities are not in accord. The general rule has long been established that certainty in the sum to be paid is one of the elements essential to render notes negotiable. * * * If we adhere to the principle that, to render a note negotiable, the amount to be paid at maturity must be ascertainable from the face of the note, without resort to evidence dehors the instrument, we have a fixed and certain rule for guidance; but if we depart from this principle, doubt aud uncertainty will arise as to the character of notes and other like instruments for the payment of sums depending on contingencies. If there was a fixed rate of exchange established by law, or if the note provided the rate to be paid, so that from the face of the note it could be computed what the exchange would be, then the note itself would contain all the facts necessary to be known in order to ascertain the sums necessary to be paid at maturity in discharge of the obligation of the maker. And in that case there would not be any uncertainty in the amount of the note.

* * * The contract evidenced by the note binds the maker thereof to pay the installments of interest and the principal with exchange on New York, and the latter provision is as much a part of the contract as are the provisions touching the principal sum and interest. Resolving the contract into its several parts, we find it to be a contract for the payment of the principal sum of $14,000 in five years from date, for the payment of $490 every six months as interest, and for the payment on each installment of interest and also the principal sum, when paid, of the current exchange between Council Bluffs and New York. The party is bound to pay this current rate of exchange as a part of the contract. The amount thereof is left wholly dependent on what the rates may be when the several payments come due, and there is no legal or business rule by which it can be ascertained until the date of payment arrives. It is difficult to conceive of any other provisions that could have been incorporated into this note that would have rendered the amounts to be paid more uncertain than this one touching the payment of exchange. True, the fluctuations in the rate of exchange may not have been very great; yet this could not have been foreseen with certainty when the note was executed. When the note was signed, it was impossible to know whether the rate of exchange to be paid would be one-tenth of 1 per cent, or 1 per cent. Therefore, it is clear that, unless we abandon the rule of requiring certainty in the amount to be paid at maturity as an essential element in negotiable paper, this note cannot be held negotiable, under the principles of the law merchant." *Flagg* vs. *School Dist.* (N. D.) 58 N. W. 499, is a case strongly in point. Without quoting at length from the opinion, it is sufficient to say that it is directly held that an instrument providing for the payment of exchange in addition to principal and interest is not negotiable by the law merchant, and that one who purchases the same before maturity for value, and without any notice of any defence thereto, nevertheless takes it subject to the defense of want of consideration, good as between the original payer and payee. From many cases holding that though the principal sum and interest to be paid is definite, fixed, and certain, if the instrument provides for the payment of exchange, etc., which render the sum to be paid at maturity uncertain, such provision destroys the negotiable character of the instrument, we cite the following: *Lowe* vs. *Bliss* (24 Ill. 168); *Bank* vs. *Bynum* (84 N. C. 24); *Bank* vs. *Strother* (S. C. 6 S. E. 313); *Fitzharris* vs. *Leggatt* (10 Mo. App. 529); *Nicely* vs. *Bank* (15 Ind. App 563, 44 N. E. 572).

[The Court here quoted at length from *Culbertson* vs. *Nelson.*]

While we are not forgetful of the fact that some of the courts have held, and upon apparent plausible grounds, that a promissory note or draft payable with exchange is negotiable by the law merchant, yet the views expressed and conclusions reached in the many cases we have cited seem to us to rest upon a firmer basis, and are supported by more substantial reason. Negotiable paper, which enters so largely into the commercial exchanges of the world, in the interest of business transactions, should bear upon its face no element of uncertainty or doubt. As was said in one case, it should be a "courier without luggage," and this it cannot be unless upon its face it is freed from uncertainty. When it provides for the payment of any sum by way of exchange, and does not provide for the rate or amount to be paid by its express terms, then the amount to be paid at maturity is uncertain, and it becomes non-negotiable. 1 Pars. Notes & B. p. 37, says:

"There should be an entire certainty and precision as to the amount to be paid. The reason of this is especially obvious; for, if the note is to represent money effectually, there must be no chance of mistake as to the amount of money of which it thus takes the place and performs the office. On this point, therefore, the cases are quite stringent The sum must be stated definitely, and must not even be connected with any indefinite or uncertain sum."

It is to be regretted that, upon a question which affects so largely the commercial interests of the country, there is a diversity of opinion, and we indulge the hope that the time is not far distant when the courts will universally adopt and fix a definite rule by which all may be guided. There seems to be good reason to support both contentions, but we think the great weight of authorities, and the better and safer doctrine, is that the words "with exchange" render a promissory note non-negotiable, and we must so hold. It follows as a result of this conclusion that the court erred in sustaining the demurrer to the first, second, and third paragraphs of answer, and the judgment is reversed, with instructions to overrule the demurrer, and for further proceeding not inconsistent with this opinion.

CASHIER—PARTNERSHIP PAPER—WAIVER OF PROTEST.

Court of Appeals of Kentucky, April 29, 1897.

HAYS *vs.* CITIZENS' SAVINGS BANK.

Where the Cashier of a bank fails to have protested a bill of exchange drawn by a firm of which he is a member and discounted by the bank, he will be deemed to have waived protest in behalf of the firm.

PAYNTER, *J.:* The bill of exchange upon which this action was brought was drawn by J. D. Hays on and accepted by Howard, indorsed by Hays, and discounted by appellee bank. Moore was Cashier of the bank when the bill was discounted and when it matured.

On the former appeal of the case to this court it was decided that Moore and Hays were partners doing business under the firm name J. D. Hays, and that the bill was drawn and discounted in the course of the partnership venture.

While the case came here on the action of the court in sustaining a demurrer to the petition, yet the amended answer did essentially change the facts upon which this court so adjudged; and the case, so far as the question of partnership is concerned, is *res judicata.*

The bill, at maturity, was not protested, but this court (*Bank* vs. *Hays*, 29 S. W. 200) held that on the facts as then presented by the pleadings it was an inland bill of exchange, and that protest was unnecessary, but that drawers and indorsers of such bills were entitled to notice of non-payment, but, as Moore was himself drawer on the paper, as well as Hays, and interested as a partner in the business, there was no reason for notice, as Moore knew of the date the paper matured and the fact of its non-payment.

On a return of this case Hays filed an amended answer, in which a section of the charter of the appellee is quoted, which in express terms places bills like the one in suit upon the footing of foreign bills of exchange. This answer presents a question which was not considered by the court on the former appeal.

To charge drawers and indorsers on foreign bills of exchange, there should be a protest and notice of it given to them. The question is whether, Moore being, by reason of the partnership, a drawer and indorser of the bill, with a knowledge of its dishonor and non-payment, there was a necessity for a protest and notice in order to hold Hays liable on the bill.

We are of the opinion that Hays, as the partner of Moore, is not, nor can he be, held liable for any negligence or misconduct of Moore as Cashier of the bank. Such a liability was not contemplated by the terms of the partnership, as he in no wise undertook to guaranty the bank against loss on account of the negligence or misconduct of Moore in the official position of Cashier. The partnership venture had no relation to such a matter. Hays' liability on the bill turns upon the question as to whether the knowledge Moore had of the dishonor and non-payment of the bill rendered a protest unnecessary in order to charge the members of the firm on it. If

Moore had been alone the drawer and indorser of the bill, it seems to us that a protest of it would have been entirely unnecessary to charge him with liability. If, under such circumstances, he would have remained liable on it, why are not he and his partner liable, under the facts of the case, as a notice to one partner is a notice to all the members of the firm.

We think, from another view of the case, the members of the firm cannot proberly claim to have been discharged from liability. Moore occupied a dual position. As Cashier he could have had the bill protested. As a partner he could have waived protest for the firm. The presumption should be indulged that he did waive protest. The judgment is affirmed.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: FLORENCE, Wis., July 17, 1897.

SIR:—A bank receives a "stale" account for collection, from a firm of attorneys, acting for a collection agency, said account being against a party living in a nearby town, without a bank, and being distant about two miles, amount of claim being $60. The bank receiving the collection collected it and made returns less ten per cent to cover their expenses and fees, which they deemed a reasonable charge for services rendered, having made three trips to the other town in connection with the matter. The firm of attorneys returned the draft remitted, and served a writ of attachment against the bank's Chicago account for the full amount, less fifty cents. Can the firm of attorneys collect more than the bank remitted them; and would they not be liable for damages for serving the writ of attachment, without cause, against the bank's Chicago account? The firm of attorneys claim that ten per cent. charged by a bank is illegal, and it seems to be a question as to which party has the right to decide what a "reasonable charge" would be to cover expenses incurred and services rendered.

E. E. WILCOX, *Cashier.*

Answer.—It is not a part of the business of a bank to make collections of accounts; but where a bank has actually performed such a service at the request of the creditor, or his duly authorized agent, there appears to be no reason why it may not charge a reasonable compensation therefor. What would be a reasonable compensation is a question to be determined by a jury, upon proof of all the circumstances, and upon proof of the customary charges in such cases. The contract being executed, and not merely executory, the question of *ultra vires* would not enter into the decision of the matter.

Editor Bankers' Magazine: EVANSTON, Ill., July 21, 1897.

SIR:—A makes out a check payable to B drawn on some bank. Now, before B presents this check for payment, A goes to his bank (the one on which the check is drawn) and asks that payment be stopped, with or without a reason. This check goes through the clearing-house. A's bank refuses payment on the check and it is sent back to B's bank, and B's bank refuses to take it up. Has not A's bank the right to throw out the check, and should not B's bank take it up?

CHAS. N. STEVENS, *Assistant Cashier.*

Answer.—Under the rule which prevails in the Federal courts, and also in many of the State courts, including those of New York, the holder of a check has no right of recourse against the drawee bank, unless and until it has accepted or certified the same, and where payment of the check is stopped by the drawer, the bank has only to follow his directions, and the holder can look only to the drawer and indorsers, if there are any. But under the rule which obtains in Illinois the drawing and delivery of a check is an assignment *pro tanto* of the funds of the drawer on deposit; and the holder may maintain an action on the check against the bank. The bank, however, cannot be prejudiced by any controversy between the drawer and the holder; and if the drawer directs the bank not to pay, it is not bound to decide between them at its peril; and would be justified in refusing payment; and if sued by the holder may protect itself by an interpleader. We do not think that the presentation through the clearing-house would affect the case, and are of the opinion that A's bank would have the right to return the check to the bank which presented it.

Editor Bankers' Magazine: RACINE, Wis., July 13, 1897.

SIR:—A firm drew a ten days sight draft on a customer of theirs in Michigan, and mailed it for collection, to a National bank in the town where the customer resided. The draft was accepted and would have become due on August 8. Not receiving returns, the drawer asked for report on August 12, to which the bank replied on August 14 that they have no record of the item. On August 15 the bank returned the acceptance unpaid, and not protested, and with the indorsement "promise to pay." The same day, August 15, drawee made an assignment and the Cashier of the bank which failed to collect the acceptance was made assignee. Will you kindly give me your opinion as to the responsibility of the bank to the drawer. Do you know of similar cases, and how have the courts decided same? Do you know if the State law affects the responsibility of the bank to the drawer in a case as stated.

SUBSCRIBER.

Answer.—It is well established that a bank receiving paper for collection is bound to present the same for payment at maturity; and if payment is not made, advise the holder promptly. The bank must do all that the owner of the paper himself would do if he were an ordinarily prudent and careful man. (*Smith* vs. *Miller*, 43 N. Y. 172; *First Nat. Bank of Meadville* vs. *Fourth Nat. Bank*, 77 N. Y. 320; *Bank of New Hanover* vs. *Kenan*, 76 N. C. 340; *Allen* vs. *Suydam*, 17 Wend. 368.) It is evident that in the case stated in the inquiry, the bank was guilty of negligence in not making presentment on the day the acceptance became due; and if it can be shown that the draft would probably have been paid if presented then, the bank will be liable for the amount to the drawers. (See cases above cited.) The matter is not governed by local law, but by the common law rules applicable to the dealings between banks and their customers.

Editor Bankers' Magazine: ARDMORE, I. T., July 26, 1897.

SIR:—A, one of our correspondents, sent us a check for credit, and we sent it to B, another one of our correspondents, for our credit. The latter sent it to one of their correspondents, but the check was lost in the mail. Can B hold us, and can we hold A for the amount of the check? CASHIER.

Answer.—We do not know of any case where a collecting bank has been held liable for an item lost through miscarriage in the mails; and we doubt if the rule which holds it responsible for the acts or defaults of its correspondents would be applied in such a case. But when bank A has proven that it placed the check with the other bank for collection, the burden would be upon such other bank to show that there was no want of diligence on its part, or on the part of its correspondent, and that the check was duly mailed, and that the loss occurred in the mail.

Editor Bankers' Magazine: DENVER Colo., July 24, 1897.

SIR:—Should checks drawn (1) "Pay to self," (2) "Pay to self or order," when presented in person by drawer to the bank on which drawn, be endorsed. If yes, can it be legally required, or is it merely a bank custom? TELLER.

Answer.—Where an instrument is drawn payable to a designated payee or his order, his indorsement is necessary only for the purpose of negotiating the instrument; it is not required to entitle him to demand payment. He may sue upon the instrument without alleging or proving his indorsement; and such averment and proof are essential only where the action is brought by some one claiming by transfer from the payee. Now, where the drawer presents his check for payment, this is not a negotiation of the check, but a demand of payment; and though the check is drawn payable to himself or his order, his indorsement is not necessary to authorize the bank to pay to him, and such payment, without his indorsement, discharges the instrument. Hence the bank has no absolute right to require his indorsement.

* SCHOOL SAVINGS BANKS.

["From The History of the School Savings Banks," by Mr. A. de Malarce, Paris.]

Pursuant to a French law of July 20, 1895, the rate of interest paid to the Savings banks by the *Caisse Nationale des Dépots et Consignateurs* (the administrator of the funds of the Savings banks) has been reduced in view of the circumstance that for the last few years the returns from absolutely safe investments and from French rente titles barely yielded three per cent., and even less, as the price for the French rentes rose above par, to 103. In consequence a good many depositors, tempted by the relatively higher interest offered them elsewhere—3.50 and even 3.75 per cent.—withdrew their accounts.

At this moment, therefore, the Savings banks of all descriptions realize the necessity of extending their *clientele* to compensate them for the shrinkage caused by these new unfavorable legal provisions, and gladly welcome the school Savings banks, which according to the official report of the French Ministry of Commerce and of many Savings banks, are powerful propagandists among the families of the working class, attracting to the Savings banks new depositors from among the adult population and in the rising generation preparing numerous young clients who at some day will become valuable adult depositors.

At this opportune time Mr. de Malarce has just published the "History of the Institution of School Savings Banks" (*Histoire de l' institution des Caisses d' Epargne scolaires*) and the 14th edition of his Manual of 1874, which was chiefly instrumental in the organization and development of these institutions during the past twenty-three years.

The *Journal des Economistes, Revue Mensuelle de la Science Economique* (Monthly Review of Political Economy) in its issue of March, 1897, says:

"This history is an exposition of the origin, the organization and the results of this economical and moral institution, the first idea of which dates back to 1797—exactly a century ago to-day—and which since its organization in 1874 has rapidly been extended so as to be established in almost twenty-four thousand (23,960) schools in France with about half a million (491,160) saving pupils, and in nearly all the countries of Europe, in the United States, in Brazil and in Australia; and all this through a free initiative appealing for voluntary contributions. The author, Mr. de Malarce, who for the past twenty-three years has been the organizer and promoter of this new branch of education, cites in this work the many eminent statesmen and men of letters who in France and in other countries of the civilized world have given their support to this work, of which the London paper 'The Times' wrote in 1887:

'Indeed a great success in France'; and the success of which is now also manifest in the United Kingdom, in Germany, in Austria-Hungary, in Russia and the other states, in Switzerland, Italy, Spain; especially in the United States and even Australia."

The prominent British review, "The Nineteenth Century,' published two thoroughgoing articles on this subject, from which the following is quoted:

"Three things must be pointed out: that in France the organizer succeeded in obtaining the support of men of *local* prominence, which was not to be foreseen and is very rarely attained in France where all progress seems to emanate from a central authority in Paris; that all members of instruction in France of every degree has shown a devotion and educa-

*Translated for the BANKERS' MAGAZINE by Geo. H. Kretz.

tional sense altogether remarkable—and finally that the first experimental years of the *method* of 1874 of Mr. de Malarce proved that owing to the lack of a good system all previous attempts during the many preceding years remained uncertain and isolated trials. And if after the French method had thus been formulated, there had been in England only a portion, however small, of the public spirit created on this subject in France by the wise and clever policy and the indomitable energy of the French organizer, our instructors and our school boards in their majority would not have remained indifferent to, and even ignorant of, the recommendations which our department of education clothed in these words: 'A school Savings bank is not a trite collection of pennies, but it should be an educational exercise. It differs from an ordinary penny bank in three distinct points. (1) It forms an integral part of the educational exercises of the school; (2) it is directed, managed and explained by the school principal, all intrusion from outsiders, not connected with the school, being excluded; (3) only the pupils are depositors and they only deposit the small sums of their own pocket money.'"

Through the impulse given by France the director of the Savings bank of Liverpool, Mr. Thomas Banners Newton, in 1875 organized in that great commercial city school Savings banks in several schools of the city; by 1878 thirty-five school Savings banks there comprised 3,980 saving pupils having to their credit £772 of savings, and in 1896 eighty-two school banks with 36,327 saving pupils contained £5,739.

In the same manner in Manchester, through the efforts of Right Hon. Mr. Chamberlain, M. P., now Minister of State, there were sixty-eight school banks with 29,660 saving pupils. In London out of 1,075 school principals 922 had in 1887 agreed to school banks.

On this subject the Bishop of Liverpool, Rev. John Ch. Ryle, recalled the three famous maxims of the moralist John Wesley (1739); "Work as much as you can, save as much as you can and give as much as you can."

And Lord Derby: "The art of saving money like many other arts, is a difficult one to acquire. A child cannot too soon be taught, and the best text-book for the purpose is a school bank book."

Mr. Samuel Smith, M. P., for Liverpool, at one of the annual meetings at which the promoters of this institution gave an account of the moral and economic results, spoke these words, showing deep insight into social matters. "These acts of saving on the part of our children represent sacrifices, and all great things are accomplished by the virtue of a sacrifice. The habitual and methodic practice of saving, guided and explained by the teacher at school, forms well regulated social energies which remain in tenfold strength with the adult."

In Germany Pastor Senckel, who in 1887 founded the German Society for the propagation of juvenile Savings banks of which he is general secretary, brought about the organization of 2,599 school Savings banks, comprising to-day 243,933 saving members, and according to his report Prince Bismarck, then Chancellor of the Empire, recommended to the educators "this new branch of education, *die Schulsparcasse*, as being the apprenticeship of economic and moral life for the laboring people, the seminary of all other popular institutions, and as one of the forces of moral education, which, beginning at the tractable age, trains the new generation to a sober and regular life, to self-control, and in those domestic and social virtues which in the adult constitute a strong, virile character."

In the schools of Portugal one finds attached to their walls these maxims in the Portuguese language:

There is no better means of opening the path to true civilization for the people than the school Savings bank.—*Franz Déak* (The great Hungarian patriot).

The school Savings banks teach wise economy as a virtue is taught by practicing it.—*Malarce*.

The school Savings bank is the basis of all other institutions for making provision.—*Luzzatti*.

Education is, and ought to be, the initiation into the whole life.—*Spencer*.

In closing this study let us recall that according to the official report of the French Ministry of Commerce for 1879 and 1881:

"The unprecedented extension of the *clientele* of the Savings banks in France since 1875 is attributed to the propagandist influence of the school Savings banks. The beneficial and moral action of the Savings banks has been very usefully aided by the school Savings banks. The extension of the school Savings banks has shown the parents, by the example of their children, the advantage of saving, demonstrated besides by the school principals on the occasion of the collection and application of the moneys saved at school."

The following table shows the development of the French Savings banks since the organization of the school Savings banks in 1874.

In 1870 (July 15) on the eve of the war the French Savings banks had only 2,100,000 depositors, representing the sum of 750,000,000 francs. After the war of 1870-71, in 1873 the number of depositors was 2,079,196 and the amount deposited 539,000,000 francs.

DEPOSITS IN THE SCHOOL SAVINGS BANKS OF FRANCE.

YEAR.	*Number of depositors.*	*Amount of deposits expressed in million francs.* (a)
1874	2,170,066	573
1875	2,365,567	660
1876	2,625,209	769
1877	2,868,262	863
1878	3,178,721	1,016
1879	3,507,717	1,154
1880	3,841,104	1,280
1881	4,199,228	1,409

(a) The influence of the propaganda carried into the families by the pupils and principals.

Beginning with 1882, the law of April 9, 1881, going into effect on January 1, 1882, raised the maximum limit of each book from 1,000 francs to 2,000 francs, and instituted the postal Savings banks, two factors which have in an exceptional manner determined the increase of depositors as well as of the capital deposited with Savings banks, and allow no further comparison with preceding years.

In 1895 the number of depositors, in ordinary Savings banks (6,449,218), and in postal Savings banks (2,000,000) reached eight millions with a capital approaching four milliards* francs.

The above table proves the active interest which the Savings banks should have in extending the work of the school Saving banks, these preparatories of the large Savings banks.

*A French milliard is one thousand millions.

Russian Monetary Reform.—"The change inaugurated about two years ago in the currency of Russia from a silver to what is supposed to be a gold basis has had a somewhat depressing effect upon the mind of the peasant farmers. By imperial edict it was made known that a five ruble gold piece would, until further notice, be equal to seven rubles and fifty copecks paper currency, and a check drawn on any Russian bank for seventy-five rubles must be considered paid should the holder receive fifty rubles in gold.

When the peasants were offered a five ruble gold piece in payment of a debt due them for seven rubles and fifty copecks, they refused to accept it and pointed out that stamped on the gold piece in plain Russian characters were the words 'five rubles,' and they furthermore demanded to know why it was that they were expected to believe that twice two and a half made seven rubles and fifty copecks in money or anything else. The Government officials were equal to the emergency and recoined the same five ruble gold piece and stamped on it seven rubles and fifty copecks, which illustrates the old adage that 'there are more ways of killing a cat than by choking it with butter.'"

FUNDING THE DEBT—CREDIT CURRENCY.

My suggestion for refunding the public debt, concisely stated, is as follows :

Present interest bearing debt		$847,364,690
Interest to maturity		440,667,164
Total debt		$1,228,031,854
Estimated present worth, or cost to obtain surrender		$1,000,000,000
Add legal-tender notes	$500,000,000	
Less gold and notes in the Treasury	150,000,000	350,000,000
Total funded debt		$1,350,000,000
Interest charge at two per cent		27,000,000
Present interest charge		34,000,000

I would have the bonds all payable at the pleasure of the Government in U. S. gold coin of present standard, the first issued to be the last subject to call. In this manner a bond is provided which would run longer than any date that would be likely to be named.

The fact—which would be admitted—that these bonds could never reach any large premium, and that at times the later dated ones might be at a considerable discount, would be circumstances in their favor and not against them.

The price I suggest to be paid is higher than the present market rates, but the result would still be greatly in favor of the Government, as I estimate that there would follow a reduction in the annual interest charge from $34,000,000 to $27,000,000.

These bonds accepted at par for circulation, with tax removed, would supply a sufficient basis for circulation purposes.

I would retire gradually the present legal-tender notes, by requiring every bank applying for circulation to purchase from the Government an amount of the new bonds equal to twenty per cent. of the bonds offered for deposit, the proceeds of which to be used in redeeming and cancelling a like amount of Treasury notes.

In my opinion, when the legal-tender notes are retired and the National bank notes are required to be redeemed in gold, the silver coins would continue to circulate at par and no reserve would be required to maintain the parity. They would continue to be legal tender and to be counted as such in the reserve required to be maintained by the banks against their deposits. The amount now outstanding would not be so large as to glut the market, especially if bank bills were limited to denominations of $10 and upwards. In fact, I believe that an addition to this circulation could eventually be made with safety to the extent of the silver bullion now owned by the Government, which would be released by the redemption of the Sherman legal-tender notes. France maintains in this manner at parity with gold a much larger volume of silver than ours, although the ratio there is 15½ to 1, making less valuable coins.

As to the question of an automatic credit currency, I do not deny the possibility of such a currency. I admit the advantages that would follow the use of such a currency under proper conditions and safeguards, and I think this problem in finance, as I regard it, may yet obtain successful demonstration in this country, where new and improved methods in all things are more likely to be exploited than in the custom-buttressed countries of the old world.

But when a system of this character is adopted for this country, it should be put into practical operation very slowly, because at its best it is an experiment.

No such currency system is in existence at this time in any country or has ever existed.

It has been claimed that something of this character is in successful operation in England, Scotland, Ireland and France, but a very brief investigation will show that this statement is not sustained by the facts.

In Great Britain, the Bank of England is the only institution which has the right to issue notes, without geographical limitation. But aside from its unrestricted privilege of issuing notes against gold coin and bullion deposited—pound for pound —its circulation at present is limited to £16,800,000, and this must be secured by public securities of a like amount. The Bank of England, therefore, issues no credit currency. Certain private bankers and joint-stock banks in England, Scotland and Ireland having charter privileges of prior date to 1844 are authorized to issue notes without security, but the volume of all is limited to that shown to have existed during the year ending May 1, 1845.

No further privileges of this character have been granted since that time, and when for any cause a bank ceases to do business the privilege dies with it. In consequence of this, the number of banks and volume of circulation have greatly decreased as may be seen from this statement:

	Number of banks.	* *Circulation.*
1845	304	£18,073,350
1896	106	5,856,401

* Uncovered notes.

From this it is seen that the uncovered bank note circulation at present is less than $30,000,000 against more than $90,000,000 in 1845, and that the practical operation of the English Bank Act of 1844, although slow in effect, will eventually terminate the issue of all credit currency in Great Britain and Ireland.

The showing for a credit currency is somewhat better in France and Canada, but under conditions entirely different from those existing in this country.

France has only one bank with an enormous capital, to whom the privilege of issuing notes is given, while Canada has only thirty-eight banks, with an average capital and surplus for each one of over two and a quarter million of dollars.

In the United States, we now have over 9,000 banks, of which 3,711 are National banks with an average capital of less than $200,000.

It has been proposed to give these banks the privilege of issuing notes to circulate as money, without the deposit of any security whatever, to the extent of the capital they might be able to show upon their books, the Government to guarantee the payment of these notes, its recompense being a graduated tax amounting to an interest charge. The safeguards imposed might be entirely adequate if applied to a small number of banks with well-known and responsible managers, and capital sufficient to protect against any possible loss, but there is nothing to show in our past history, or in the history of any other country, that such a privilege can be safely bestowed upon perhaps 10,000 different institutions, having no interest in or acquaintance with each other's affairs and representing all kinds of business methods and financial management.

In my judgment, the matter of the greatest importance at present is to settle our national finances by refunding the public debt into low interest bonds, and in so doing get rid of the use of the ambiguous word "coin" as the currency in which the debt is payable.

It is also, I think, a matter of pressing importance, although not so urgent perhaps as the first named, that the responsibility of maintaining the gold standard (or for that matter any other standard) should be taken from the Government and placed upon the banks or the business of the country, as it is done in other countries. No gold reserve should be required to be held in our national Treasury for the redemption of paper notes.

The advisability of getting the Government "out of the banking business," by the retirement of the legal-tender notes, can be maintained upon much safer and sounder grounds than by the fancied necessity for an elastic paper currency.

These grounds are :

1. The actual saving in cost to the nation.

2. Relief from danger of panic, always possible so long as political agitation may be directed toward the repudiation or the partial repudiation of the Government notes.

The legal tenders should be retired when they can be replaced with National bank notes, issued under such rules, regulations and requirements as will insure their prompt redemption in gold.

The question of a credit paper currency can safely wait until these two great reforms are consummated, and the whole country is looking to the Republican party, which now controls the Government, for some prompt legislation in this direction.

HENRY W. YATES.

OMAHA, Neb., July 30.

THE PRESIDENT'S MESSAGE ON THE CURRENCY.

In my message convening the Congress in extraordinary session, I called attention to a single subject, that of providing revenues adequate to meet the reasonable and proper expenses of the Government. I belived that to be the most pressing subject for settlement then. A bill to provide the necessary revenues for the Government has already passed the House of Representatives and the Senate and awaits executive action. Another question of very great importance is that of the establishment of our currency and banking system on a better basis, which I commented upon in my inaugural address in the following words :

"Our financial system needs some revision. Our money is all good now, but its value must not further be threatened. It should all be put upon an enduring basis, not subject to easy attack, nor its stability to doubt or dispute. The several forms of our paper money offer, in my judgment, a constant embarrassment to the Government and imperil a safe balance in the Treasury."

Nothing was settled more clearly at the late national election than the determination upon the part of the people to keep the currency stable in value and equal to that of the most advanced nations of the world. The soundness of our currency is nowhere questioned. No loss can occur to its holders. It is the system which should be simplified and strengthened, keeping our money just as good as it is now, with less expense to the Government and the people. The sentiment of the country is strongly in favor of early action by Congress in this direction to revise our currency laws and remove them from partisan contention.

A notable assembly of business men, with delegates from twenty nine States and Territories, was held at Indianapolis in January of this year. The financial situation commanded their earnest attention, and after a two days' session the convention recommended to Congress the appointment of a monetary commission. I commend this report to the consideration of Congress. The authors of the report recommend a commission to make a thorough investigation of the monetary affairs and needs of this country in all relations and aspects, and to make proper suggestions as to any evils found to exist and to the remedies therefor.

This subject should receive the attention of Congress at its special session. It ought not to be postponed until the regular session. I, therefore, urgently recommend that a special commission be created, non-partisan in its character, to be composed of well-informed citizens of different parties, who will command the confidence of Congress and the country because of their special fitness for the work, whose duty it shall be to make recommendations of whatever changes in our present banking and currency laws may be found necessary and expedient, and to report their conclusions on or before the first day of November next in order that the same may be transmitted by me to Congress for its consideration at its first regular session. It is to be hoped that the report thus made will be so comprehensive and sound as to receive the support of all parties and the favorable action of Congress. At all events, such a report cannot fail to be of value to the executive branch of the Government, as well as to those charged with public legislation, and to greatly assist in the establishment of an improved system of finance.

WILLIAM MCKINLEY.

EXECUTIVE MANSION, July 24, 1897.

CANADIAN BANKING AND COMMERCE.

QUARTERLY REVIEW OF THE BANK RETURNS.

The bank statement for the month ending June 30 marks the close of the second quarter of the year 1897. Speaking generally, it is an improvement on the figures for the same period last year.

Bank note circulation for April declined from $81,082,500 to $80,814,900, a reduction of $267,600. The decline the previous year was $1,134,500. Deposits payable on demand increased $2,274,500, and deposits payable after notice, $802,751. The increase throughout the year was over six millions. Current loans, another important item, increased from $213,232,400 to $216,284,900, an increase of over three millions. In April, 1896, current loans decreased $1,314,700. The tariff changes then pending made buyers cautious, hence the inclination to run in opposite directions. Overdue debts decreased $177,504, which would indicate a preparatory effort for the coming expected revival after the tariff had been definitely settled.

A comparison of the following items in the bank statements will be of interest :

April.	*Note circulation.*	*Deposits on demand.*	*Deposits after notice.*	*Current loans.*
1892	$31,466,369	$60,730,909	$94,447,185	$191,995,277
1893	32,633,073	64,542,427	104,216,667	206,789,141
1894	29,996,472	63,772,064	109,589,042	205,051,675
1895	29,152,152	65,578,633	114,457,027	203,278,500
1896	29,654,978	60,859,928	120,644,617	210,292,087
1897	30,814,923	69,780,791	126,994,097	216,284,936

These figures show how steadily the growth of deposits withdrawable after notice and current loans have gone on for these years and also the increase in the volume of business transacted.

The May statement is generally supposed to make the poorest showing of the year from a trade or commercial point of view. However this year was an exception. The bank note circulation increased from $30,814,923 in April to $31,820,-445 in May, an increase of $1,005,522. This increase for the month of May is seldom equalled and only in 1893 has such been the case, but the increase over the previous year is a matter of greater and more favorable significance, the amount being $2,425,001. The relief from tariff uncertainty must certainly receive its just quota of credit for a portion of this increase. The increase in deposits, May over April, is nearly three millions, and over the same month, 1896, nearly sixteen millions. This increase in deposits is more by a considerable amount than is necessary to carry on the increased trade in Canada as may be noticed by the fact that some of the funds are seeking employment in American cities—increasing the amount under that head by over two and one-quarter millions, viz., balances due from banks and agencies in foreign countries and a drop of over four and one-half millions in current loans. This seeming reduction was considerably influenced by preparations made pending the final declaration in regard to the tariff.

During the early part of June the annual statements of several of our leading banking institutions are submitted, and it is remarkable how closely and interestedly these statements and utterances are scanned and studied and sought after. The opinions expressed by these veteran bankers have an effect that can hardly be realized by those not fully conversant with the banking affairs of the Dominion.

The General Manager of the Bank of Montreal, speaking on the increase of deposits, said: "I cannot say that bankers at present regard with any great degree of pleasure the increase in this item, particularly when they, like ourselves, are obliged to lend it abroad at a nominal rate." Again he says: "Altogether you will admit we are in an exceptionally strong financial position, but not one in which we can make much profit with the present low value of money in foreign markets."

The same sentiments have been expressed in relation to profitable investment by the General Managers of other prominent banking houses.

The June statement, which has just been issued, continues to show signs of activity and the more encouraging as it comes slowly and seems evenly distributed throughout the banks of the Dominion. The most satisfactory showing of trade may not be so readily seen in the bank statement alone as by comparing the figures with other official returns bearing upon the commerce of the country. The railway earnings are increasing, the shipping business is rapidly expanding, dairy produce is in greater demand and commands better prices, agricultural and stock export trade of all kinds is more promising than has been the case for some years. The Canadian banks have never been in a better position to deal largely and on advantageous terms with each and all of the industries requiring financial aid than at present. The bank note circulation gives a fair idea of the business movement. The amount standing under that head on June 30 for the six years was as follows:

1892	$32,614,699	1895	$30,106,578
1893	33,483,418	1896	30,336,844
1894	30,254,159	1897	32,366,174

Thus it will be seen we are nearing in value the days preceding the panic of 1893. The last year shows an increase of over two million dollars. The deposits by the public, another source of ascertaining to a certain degree the growth of the wealth of the country, had at the end of June reached over two hundred millions. Only a few years have elapsed since they were little over half that amount. The growth during the last year, as may be seen in our accompanying abstract, is $17,371,666. This increase is nearly equally divided between deposits payable on demand and those payable after notice.

The small increase of about half a million during the year in current loans indicates the caution observed in large ventures owing to the pending tariff changes. In the current and succeeding months this item is likely to show a greater gain.

The dulness of ordinary trade and commerce had the effect of throwing a larger amount of idle capital into bonds and stocks in the way of call loans—as the amount under that heading shows a fairly large increase. Considerable amounts have also been invested in securities—Canadian, municipal, foreign or colonial, also railway securities. Specie and Dominion notes held by banks have increased largely during the year—about two and three-quarter millions.

The promise of a bountiful harvest is another important matter to be considered at this time. The crop which is now being harvested in many places is good and should nothing affect it detrimentally where it has not altogether matured, the general result throughout the Dominion will be far ahead of what has been attained for years past if it has ever before been reached. The mines of British Columbia have begun to contribute their quota in bringing on prosperity, and instead of the constant drain of money going west some of the gold is finding its way east.

With these prospects, which are under rather than over estimated, the showing of this season's business should equal if not surpass anything we have experienced in former years.

STATISTICAL ABSTRACT OF CANADIAN CHARTERED BANKS—COMPARISON OF THE IMPORTANT ITEMS.

Assets.	June 30, 1897.	May 31, 1897.	June 30, 1896.	Increase and decrease for month.		Increase and decrease for year.	
Specie and Dominion notes	$24,584,894	$24,594,155	$21,865,797	Dec.,	$9,261	Inc.,	$2,719,097
Notes of and checks on other banks	8,490,673	8,519,447	7,733,952	Dec.,	28,774	Inc.,	756,721
Due from banks and agencies in foreign countries	21,387,820	18,763,773	18,484,973	Inc.,	2,624,047	Inc.,	2,902,847
Due from banks and agencies in United Kingdom	8,131,042	8,981,513	3,599,625	Dec.,	850,471	Inc.,	4,531,417
Canadian municipal securities and British provincial or foreign or colonial, other than Dominion	12,385,051	11,875,353	8,727,596	Inc.,	509,698	Inc.,	3,657,455
Railway securities	13,203,897	12,976,319	11,585,001	Inc.,	227,578	Inc.,	1,618,896
Loans on stocks and bonds on call	14,898,629	14,256,606	13,024,606	Inc.,	642,021	Inc.,	1,874,023
Current loans to the public	208,527,690	211,750,319	208,014,178	Dec.,	3,222,629	Inc.,	513,512
Overdue debts	3,534,163	3,419,472	3,468,517	Inc.,	114,736	Inc.,	65,646
Total assets	$335,203,890	$334,693,054	$316,122,706	Inc.,	$510,836	Inc.,	$19,081,184
Capital.							
Capital stock paid up	$61,949,536	$61,943,156	$62,198,413	Inc.,	$6,380	Dec.,	$248,877
Reserve fund	27,070,799	27,020,799	26,348,799	Inc.,	50,000	Inc.,	722,000
Liabilities.							
Bank notes in circulation	$32,366,175	$31,820,445	$30,336,844	Inc.,	$545,729	Inc.,	$2,029,330
Balance due to Dominion Government	4,876,458	4,427,638	3,277,974	Inc.,	448,820	Inc.,	1,598,484
Balance due to Provincial governments	2,637,778	2,547,260	2,567,857	Inc.,	90,518	Inc.,	69,921
Deposits of the public payable on demand	71,466,457	70,183,545	62,934,531	Inc.,	1,282,912	Inc.,	8,531,926
Deposits of the public payable after notice	129,675,231	129,532,122	120,835,461	Inc.,	143,109	Inc.,	8,839,770
Deposits payable on demand or after notice between banks	2,940,414	2,838,777	2,494,116	Inc.,	101,637	Inc.,	446,298
Due to banks and agencies in foreign countries	408,529	320,798	178,877	Inc.,	87,731	Inc.,	229,653
Due to banks and agencies in the United Kingdom	2,693,051	3,373,262	5,098,596	Dec.,	680,211	Dec.,	2,405,545
Total liabilities	$247,766,150	$246,133,727	$228,238,219	Inc.,	$1,632,423	Inc.,	$19,527,931
Miscellaneous.							
Directors' liabilities	$7,737,674	$8,135,095	$7,522,302	Dec.,	$397,421	Inc.,	$215,372
Greatest amount of bank notes in circulation at any time during month	33,070,121	32,637,033	30,964,363	Inc.,	433,088	Inc.,	2,105,758

Deposit with Dominion Government for security of note circulation (amount required being five per cent. on average maximum circulation for year ending June 30, 1896), $1,859,936.

NEW YORK STATE BANKERS' ASSOCIATION.

FOURTH ANNUAL CONVENTION, SARATOGA SPRINGS, N. Y., JULY 15 AND 16.

This year's annual meeting of the bankers of New York State was fairly well attended and was notable for the great practical value of the several papers and addresses presented on subjects of present interest to the bankers of the State.

The membership includes about seventy-six per cent. of the eligible banks of the State, so that the association is representative in character and is competent to speak with authority in behalf of the financial interests of this great State.

Therefore the utterances of the association contained in the resolutions on currency reform are entitled to great weight. They are not the idle assertions of politicians, but the well-considered views of men who have vast interests committed to their charge, and whose training and experience especially fit them to speak wisely on this important subject. Their conclusions should be heeded by the legislative branch of the Government.

The new officers chosen at the convention will insure a continuance of the progressive policy of previous administrations. Hon. A. B. Hepburn, the new president, is one of the best known bankers in the State, and his wise counsels will greatly strengthen the organization.

It is to be hoped that the members will use renewed efforts to increase the attendance at next year's convention. If the bankers of the State could be brought to a proper realization of the benefits and pleasures incident to these annual gatherings, it is believed that the numbers attending the conventions could be largely increased.

Each year the officers and the committee of arrangements work hard to prepare an attractive programme and to provide suitable entertainment, and they succeed admirably. But there ought to be a more general participation in the benefits and pleasures of the meetings, and there doubtless will be as the fame of the conventions spreads. It is certain that all who were at Saratoga this year will become enthusiastic missionaries in bringing up a large delegation from their respective groups at Niagara Falls in 1898.

President Dexter and the council of administration provided a most satisfactory programme and the committee of arrangements, of which Mr. Ledyard Cogswell was chairman, left nothing undone to make the social features attractive. A pleasant welcome was given by the bankers and other citizens of Saratoga Springs, and the mayor of the city in delivering his message of greeting reflected the opinions of the visiting bankers when he characterized his city as the peerless pleasure resort of the world.

A detailed stenographic report of the proceedings of the convention is given below. The several addresses and papers are presented in unabridged form, the latter having been revised for the BANKERS' MAGAZINE by their respective authors.

The accompanying group portrait of the executive officers of the New York State Bankers' Association was engraved especially for this number of the BANKERS MAGAZINE from recent photographs. Appropriate biographical sketches of these officers will be found immediately following the proceedings.


A Barton Hepburn, Prest
E A Groesbeck, Vice Prest
Fredk. W. Barker, Treas.
Walter E. Frew, Secy

... ASSOCIATION.

... S, N. Y., JULY ...

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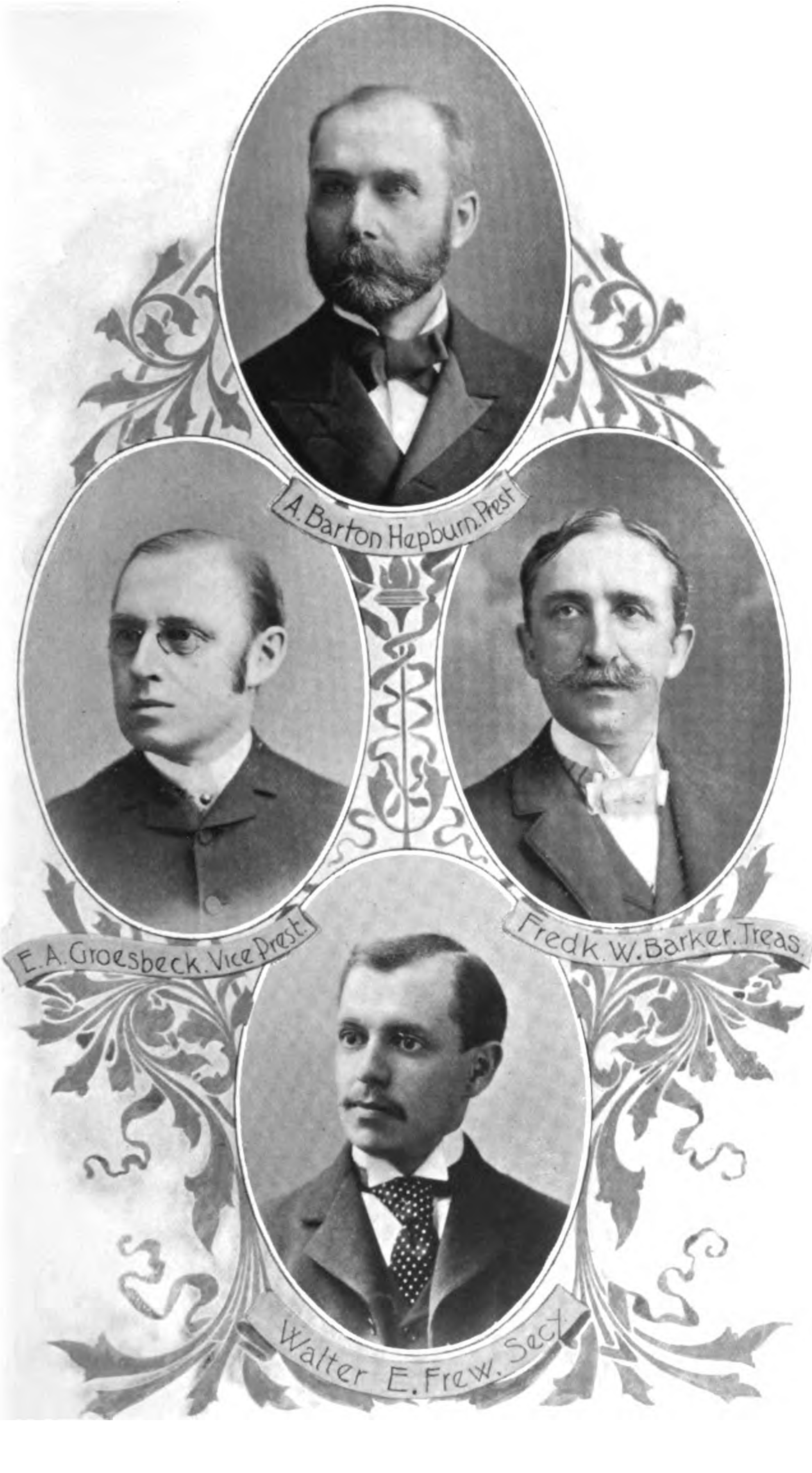
... portrait of the executive officers of the New York ... was engraved especially for this number of the BANKERS' ... graphs. Appropriate biographical sketches of these ... following the proceedings.


A. Barton Hepburn. Prest
E. A. Groesbeck. Vice Prest.
Fredk. W. Barker. Treas.
Walter E. Frew. Secy.

PROCEEDINGS OF THE CONVENTION.

The fourth annual meeting of the New York State Bankers' Association was held in the Grand Union Hotel, Saratoga Springs, N. Y., Thursday and Friday, July 15 and 16, 1897.

The first session was called to order by President Seymour Dexter, at 11.30 A.M., on Thursday.

President Dexter called the convention to order, and the meeting was opened with prayer by Rev. T. F. Chambers, Pastor of the First Baptist Church, Saratoga.

THE PRESIDENT: We have with us this morning the Mayor of Saratoga Springs, who is here on behalf of the municipality to bid us welcome. I introduce Mayor Adelbert P. Knapp, of Saratoga Springs.

ADDRESS OF WELCOME BY MAYOR A. P. KNAPP.

Mr. President, Ladies and Gentlemen—I deem it a great privilege to welcome the bankers of the State at this your fourth annual convention, and I believe your third time of meeting as a body in Saratoga.

I have been commissioned by the citizens of this municipality—and I believe it is my official duty—to extend the greetings and the freedom of the village to visiting bodies, conventions and associations, and I know of no body of men to which I could extend those courtesies with greater pleasure than to the New York State Bankers' Association. Personally, I have always had a very kindly feeling toward bankers, and I have endeavored to cultivate them to the extent of making that feeling mutual. There are times when it is mighty convenient to be on good terms with your bankers.

Gentlemen, we feel honored by your presence here to-day. We are very proud of Saratoga. We think that it presents greater attractions to visitors and greater advantages as a convention town than any other place in the State, or, indeed, in the United States, and it is gratifying to know that a representative body of men such as the New York State Bankers' Association appreciates that fact and come here year after year to meet in convention. I am glad, gentlemen, that the majority of you, at least, if not all of you, are familiar with the beauties and charms of Saratoga, which makes it unnecessary for me to describe them, as I feel it would require a far more eloquent tongue than I possess to do justice to them.

We trust you will fully enjoy them all; that nothing may occur to mar the pleasure of your sojourn in Saratoga or to disturb the harmony of your convention, and that its results may be most satisfactory to you and beneficial to the interests which you represent. You have business before you, and I will not detain you longer. Permit me again to express to you the great pleasure it gives me to welcome you. I thank you, Mr. President and gentlemen, for the privilege of addressing you, and again I say you are very welcome.

THE PRESIDENT: Mr. Mayor, on behalf of the association I return to you thanks for your greeting to the members of the association at the opening of their meeting to-day. The members of the association have found Saratoga a pleasant place to come, as evidenced by the fact that three of its four annual meetings have been held in this beautiful place, and I assure you from my knowledge of the members here that they will take full advantage of the freedom of the city which you have tendered them, and that the meeting with this bright morning commences very auspiciously.

Thanking you again for your greeting to the bankers' association, we hope that we shall be able to come back and meet with you once more.

The next item upon the programme is the annual message of the president.

PRESIDENT'S ANNUAL MESSAGE.

Gentlemen—It was with great diffidence that I accepted the responsibility and honor which the third annual convention of this association conferred upon me, and with still greater diffidence I stand before you to present the President's annual message.

It does not seem to me wise to consume your time in a recital of facts that will appear in detail in the reports of the other officers of the association. Another year's experience has further confirmed the wisdom of those bankers who were instrumental in promoting the organization of the New York State Bankers' Association. Its usefulness in a high degree is recognized by all who have taken interest and part in its work. Only those have doubts who have not taken part in its work or joined in its meetings.

The group plan of organization has demonstrated its wisdom and there is no banker present at this meeting, I affirm, who has been a constant attendant at the meetings of his group, but will bear testimony to the benefits he has received in the acquaintances made, the information and suggestions received, that have been of value to him in his business as a bank officer. The association is stronger to-day in its life and power for usefulness than one year ago, and will be stronger one year hence than to-day.

Of the benefits to be derived from the group meeting acquaintanceship is the first, and if no other could accrue, would justify the fullest support by every banker in the group. But much greater benefits can be secured by a discussion of practical banking methods, the best safeguards in the matter of discounts, the necessary precautions to avert dangers from the swindler and a free exchange of opinion and reasons therefor, upon current financial questions. None of us are so wise that we know the best in all the range of bankers' duties and responsibilities; all will gain something new from such meetings, and return to their work feeling that their time and money have been well spent in attending them.

We earnestly urge that at the annual meeting to be held in the several groups this fall, that all banks in the group shall be represented and care exercised in selecting officers for the ensuing year, to secure those who will best unite all interests in the group, and be most zealous in arousing interest in the legitimate work to be done.

For the results in the groups during the last year, I refer you to the reports that will be made by the several chairmen of the same.

During the session of the Legislature a watchful care was exercised over all measures introduced affecting the banking interests of the State. No occasion arose in which it seemed to me wise to send out a communication to all banks touching pending bills.

Ledyard Cogswell and E. A. Groesbeck represented the association at Albany, and arrangements were made by which every bill in any way affecting banking interests were forwarded to me as soon as printed, or re-printed after amendments, so that I had a complete file at all times of measures pending, and the committee in charge were fully advised of the progress of a bill, and if adverse to the wishes of the bankers, whether there was such danger as to its passage as to call for united action by the bankers of the State. No such danger arose during the session, and a well-organized association is a powerful influence, to avert such dangers before they become threatening.

The committee on sound money literature, appointed at the last annual meeting, organized with Hon. A. B. Hepburn as chairman and Walter E. Frew as secretary, before leaving Niagara Falls. Soon thereafter a full meeting of the committee was held in New York and a list of sound money literature selected. Copies of the books and pamphlets selected were obtained by the secretary and forwarded to all banks in the State. The chairman and secretary rendered most efficient service upon this committee. The expenses necessarily incurred in the purchase of the literature being paid from the funds of the association. It is believed that much good was accomplished by the committee, again showing the wisdom of united action by the bankers of the State.

The evolution in social and business contact between interests pursuing the same line of business, has marked the decade fast drawing near its close. The bankers of this State have been behind other lines of business in this regard, and yet there is no class of business where mutual acquaintance, and the ties and confidence which arise from such acquaintanceship, is of greater value than those conducting the great and small banks and banking houses situated within the Empire State. The usefulness of this association is but in its infancy. A rapid evolution is taking place in our commercial and industrial enterprise, induced by rapid communication and transportation, improvement in machinery and motive power, and the aggregation of capital. With it, of necessity, comes an evolution in banking methods, new duties and responsibilities, new dangers as well as new opportunities.

The banker who confines his activities of brain and thought and his touch with men and things to the exacting duties of managing a bank, is most apt to grow into a life of ruts and become absorbed in making money, as though that was the end and goal of life itself. If the strength and acumen of his brain is wholly put forth in obtaining the greatest per cent. for the use of his money, it tends to corrode and waste away the noblest and most lovable qualities in his heart and life.

The banker who conceives his bank as standing wholly by itself, and the only bank for which he should have a care or thought, is not abreast with the new conditions that involve the business interests of all classes. He is interested in having every other bank in the land safe, sound and conducted on right methods and principles. He is interested in having the right man at the head of the State Banking Department, and right methods pursued in State and national supervision. He is interested in currency questions and financial legislation. He is interested in all legislation affecting the business interests of the country. He is interested in personally knowing the bankers with whom he has bank dealings. If he secludes himself in his banking office six days in the week, and counts all his duties done when he has conducted safely the affairs of his bank upon methods he learned long years ago, he will soon find himself losing ground in the competitions under the changed conditions involving all business activities at the present time.

With the changed conditions banks occupy a very different place in the social body from what they did before the era of rapid communication, transportation and centralization in commercial and industrial activities. As related to the social body, they are no longer merely a place for the safe keeping of money, which persons are afraid to keep about their persons or homes, and a place to borrow money on good security when they have need. They are that now, but very much more at the same time.

Under the changed conditions there is evolving a social organism. All parts of the social body are being bound in such close and compact relations that no part can suffer injury without greater or less suffering and injury being entailed upon all parts and members of the social organism.

Money and credit are the very life-blood of the social organism. Their circulation has many analogies with the circulation of the human organism. As an accelerated, retarded or irregular circulation in the human body at once affects its health and strength, so the circulation of money and credit in the social organism at once affects the health and activity of the social body. Banks are the very heart in the circulation in the social organism. Their influence is greater in maintaining a steady circulation than any other single influence. But no single bank, or a half dozen, can withstand the effect of distrust and fear, when their stagnating power lays holds on the public mind; neither can they tide back the acceleration when undue confidence and hope possess the public mind, inducing speculation, booms and visionary concepts of values. It is important also beyond the power to express in words, not alone to banks, but to the whole social body, that banks should stand shoulder to shoulder at all times, and especially in times of an accelerated or retarded circulation. This united influence and power cannot be had without organization, and the organization cannot be formed when the dangers are upon the country. It must exist continually, and to its control and management the ablest, most thoroughly equipped by experience, the broadest and most liberal minded in their concepts of the relations banks sustain to the social organism, should be called.

We therefore earnestly urge every banker in this State to warmly give his support to the New York State Bankers' Association, not alone in the annual payment of dues, but in attendance upon group and annual meetings, so that every bank shall be represented at each meeting in its group and at the annual meeting. Such activity and co-operation would bring to pass beneficial results, not alone to the banking interests, but to industrial and commercial interests.

We fully appreciate that with many persons in the community a strong, compact and effective bankers' association would be looked upon with distrust, and regarded as another combination of capital, inimical to the welfare of the masses, but the rantings of demagogues or the statements of those who from want of experience or from unqualified ignorance cannot perceive the good results to accrue to the whole social body, should not deter from action those who do perceive and understand the good results to be attained.

During the year 1895 the question was considered in the council of administration of this association as to the desirability and feasibility of the formation of a United States bankers' association, that should be wholly representative in its membership, its annual meetings composed only of delegates chosen by the several State bankers' associations. It was thought to be desirable, and a committee was appointed to enter into correspondence with the proper officers of other State associations to ascertain their views in the matter. It was soon found that such a movement might seem to be hostile in its character to the American Bankers' Association; that there ought not to be two bankers' associations national in character. A sort of comprise was reached whereby the American Bankers' Association changed their organization so as to admit to a seat and vote in its annual meetings a certain number of delegates from each State bankers' association. The number from this State was fixed at nine, and this meeting should select nine delegates to attend the American Bankers' annual meeting in August at Detroit. The change also provided that the State association should be entitled to a certain representation upon the executive committee of the American Association.

This compromise was reached in the hope that in time the American Association would evolve into a purely representative body; that all members seated in its annual meetings, with voting power upon matters under consideration, should be delegates chosen at the annual meetings of the several State associations.

This question is now being agitated in other State associations. At the annual meeting of the Iowa Association in May last, the following resolution was adopted:

"*Resolved*, That the Secretary of the Iowa Bankers' Association be instructed to correspond with the proper officers of other bankers' associations, inviting them to join in a national association and to send two delegates to a preliminary meeting to be held within the next six months at such a time and place as may be agreed upon; and

Resolved, That the President shall appoint two delegates from this association to attend such preliminary meeting, and that their expenses shall be paid by the association."

In pursuance of this resolution I have received, as president, an invitation to this association to unite in the plan proposed. Deeming it a matter of importance to bring to pass a national association, representative in its character and deliberations, I bring the the matter before you for consideration.

At the time of our annual meeting one year ago, dark, angry, threatening clouds mantled the financial horizon of our land. There was great anxiety as to the outcome of the gathering storm. Dangers, not alone to the stability of our monetary standard, seemed to be uniting about the "Crown of Thorns and Cross of Gold," but dangers that threatened the financial honor of the nation and the stability of its institutions.

There is just cause for congratulation to-day, that the dangers were for the time averted, that patriotism was fanned to a glow so bright and strong that party affiliations and prejudice no longer bound or divided those who deeply desired the maintenance of our national honor in the court of nations. The result aroused new hope and faith in the future of the Republic.

To all familiar with the forces and influences that averted the threatening calamity, it is known that none were more potent and patriotic than those wielded by the banks and bankers of the State of New York, and especially by the city of New York, represented in this association.

The result of the election, however, was simply a declaration of choice between two financial policies, and the election of officers of Government. The vote of the people repealed no bad financial legislation upon our statute books, nor placed anything new upon them. The defects in our financial and currency system remain, that were there before the election. Until these defects have been removed, the laws under which they existed repealed or modified and better financial methods incorporated into our laws, the victory for sound money last November will not be complete.

The intelligent masses of our people are ready to think about the questions involved, to discuss them and arrive at conclusions, unbiased by party considerations, as never before in our history. It therefore seems wise that the campaign of education should continue. With the tariff questions settled for a time, all interests and classes agree the next question to be considered, until a conclusion is reached, in the form of law, relates to the currency and finance of the nation.

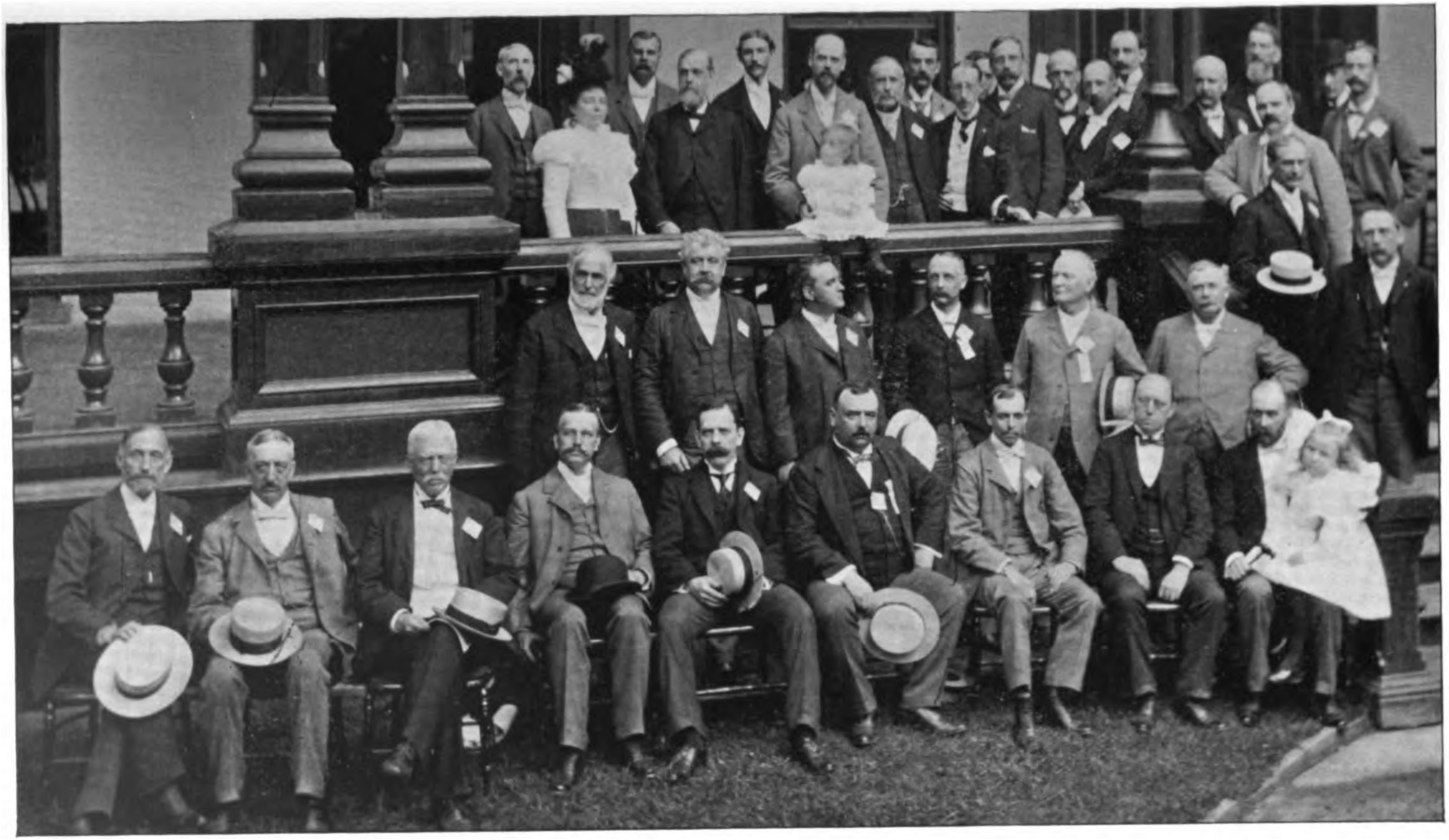
We believe the number of citizens in our land, who do not love its institutions, who are not patriotic in some degree, is very small. There is a large number who may not be willing to sink, in a measure, what they conceive to be their own personal advantage or gain, for the common good of the country and all its citizens. There are some demagogues, who for self-glory and aggrandizement proclaim doctrines and theories they little understand, because they feel it will catch and please the elements whom they wish to lead and control. The most dangerous and most despicable demagogue is the one who for personal ends seeks to inflame class prejudices, and array class against class in the field of economics or government. Among the masses whom they would lead are great numbers who are honest and patriotic, but who from want of experience or instruction, or from the hard conditions in which they have become entangled, are prone to feel that some other person or class, rather than themselves and their own acts, is responsible for their hard luck.

These in large measure can be reached and their love of country aroused by candid, honest statement and discussion. They cannot be reached by vituperation and what they conceive to be abuse. The campaign of education should be guided along lines that appeal to their reason, within the ranges of their experience and strongly to patriotism.

Bankers have a duty, an obligation resting upon them in this campaign of education. During the last campaign we often heard the sentiment expressed, that bankers had best keep in the background; that a powerful factor in the community would be opposed to the gold standard because the bankers wanted it. I have no sympathy with this sentiment or feeling. We are ourselves to blame if such a prejudice long continues in any considerable part of the country.

There is no class in our land better qualified to continue the discussion of financial questions, to continue the work of education, than bankers, and I feel that a duty devolves upon them in that direction, whenever suitable opportunity presents itself in their daily touch with those with whom they come in business contact.

I feel one of the things this association should promote, through special committee or



NEW YORK STATE BANKERS' ASSOCIATION.
SOME OF THE DELEGATES AND VISITORS.

specific direction to its council of administration, is the distribution of wise sound money literature. The great majority of the people in this land want the dollar of the Republic to be as good as the dollar of any other nation. They also want an honest dollar, and I believe they want the gold dollar as the unit of value, and if the time ever comes, that under the influence of political fervor or the stress of hard times, a majority shall deposit its vote for free coinage of silver 16 to 1, or some similar heresy, the friends of the gold standard will not be free from the sin of negligence in not giving that constant attention to the issue which its importance demands. The friends of sound money should not halt in their activity until the gold standard has been written in unequivocal language in the laws of the United States.

We believe before this association meets one year hence in its annual meeting, it will be.

Let not any of us feel that our public duty has been fully performed, until the whole civilized world knows that the United States will maintain its good name and financial honor, and pay its obligation in gold or its equivalent.

THE PRESIDENT: The next item of business is the appointment of committees, and I will announce the following committees:

Committee on Resolutions.—Group I, William C. Cornwell; Group II, W. J. Ashley; Group III, J. T. Sawyer; Group IV, George B. Sloan; Group V, W. I. Tabor; Group VI, William Kemp; Group VII, David Cromwell; Group VIII, H. B. Coombe; IX, A. B. Hepburn.

By matters which will come before you soon it will be apparent that there must be to some degree a revision of our by-laws. Therefore, I appoint as a committee on by-laws, to whom all matters of that sort will be referred: Bradford Rhodes, John A. Kennedy, G. R. Williams, F. B. Schenck, F. W. Barker.

Also an auditing committee, to whom the treasurer's report when read will be referred: F. C. Eddy, Peter J. Elting, Walter E. Frew.

The next order of business is the report of the treasurer, Mr. Van Inwegen.

REPORT OF THE TREASURER, CHARLES F. VAN INWEGEN.

Mr. President and Members of the New York State Bankers' Association, Ladies and Gentlemen—As Treasurer of the New York State Bankers' Association I respectfully report the following receipts and disbursements from July 18, 1896, to July 15, 1897:

Receipts.

Received, July 22, 1896, from A. D. Bissell, late treasurer	$344.13
Received from July 18, 1896, to July 15, 1897, from 413 banks and bankers for annual dues to October 1, 1897	4,925.00
Total receipts	$5,269.13

Disbursements.

From July 18, 1896, to July 15, 1897	4,084.19
Leaving cash on hand July 15, 1897	$1,184.94

The vouchers upon which the disbursements have been made, and the cash-book in which appears an itemized account of all receipts and disbursements have been delivered to the council of administration.

In accordance with the plan adopted by the council on May 26, 1897, the disbursements are classified as follows: That is, the disbursements made by the present treasurer have been classified into the expenses incurred during the year closing with the last convention, and the expenses incurred during the year closing with this convention so far as they have been paid.

Disbursements for the year ending with the last annual convention, paid by the present treasurer:

Group expenses	$167.72
Annual convention expense	1,224.01
Expenses of council of administration meetings	280.22
Other expenses and disbursements of general officers	146.91
Total expenses incurred during the present year closing with the last convention, but paid by the present treasurer	$1,818.86

Expenses incurred during the present year closing with this convention, so far as they have been paid by the present treasurer are as follows:

Group expenses	$273.59
Annual convention expenses	93.00
Expenses of publishing and distributing proceedings of annual convention held July 17 and 18, 1896	440.10
Expenses of council of administration meetings	642.92
Other expenses and disbursements connected with the work of the committee on sound money literature	481.22
Miscellaneous disbursements, expenses, &c	25.00
Total for expenses incurred for this present year and paid during the present year	$2,265.13

which with $1,818.86 incurred for the last year's expenses, but paid by the present treasurer, makes a total of the disbursements of the present treasurer, $4,084.19.

I would state, Mr. President, in reference to the classification, that it has been made by the treasurer according to the terms of the bill, so far as he could make a judgment upon the items upon the bill. Many of the bills were specified as to the purposes, but some few items were not very clearly specified, and the treasurer is obliged to exercise some judgment in the matter which may not have been exactly correct.

According to the records of the treasurer the membership of the association arranged by groups is as follows:

Group I	60	Group VI	50
Group II	27	Group VII	43
Group III	30	Group VIII	43
Group IV	39	Group IX	102
Group V	36		
Total			430

Respectfuly submitted,

CHAS. F. VAN INWEGEN, *Treasurer.*

[Dated] PORT JERVIS, N. Y., July 15, 1897.

THE PRESIDENT: The report of the treasurer will be referred to the auditing committee unless otherwise directed. The report of the secretary is next in order.

REPORT OF THE SECRETARY, JOHN A. KENNEDY.

Mr. President—I have no general report to make. I have here invitations from the Chamber of Commerce of Nashville, Tenn., the Mayor of Nashville, the Tennessee Centennial Exposition, the Governor of the State of Tennessee and a Committee of the Press of Nashville, inviting the members of this association to visit the exposition now being held there. (Referred to the committee on resolutions.)

In June I sent out to the banks in Group V the following letter:

BUFFALO, June 14, 1897.

To the officers of the ——— Bank:

Gentlemen—Owing to the difficulty in securing attendance at meetings of Group V, of the New York State Bankers' Association, it has been suggested that there be a re-arrangement of the group. All bankers appear to be deeply interested in the State association proper, and in order to make it convenient for them to attend group meetings, the following suggestions are submitted for your consideration:

First—If you desire to continue the group, as at present, I will be very glad to have you advise me of the fact and make such suggestions as in your judgment would be useful to the council of administration in determining the best course to pursue.

Second—If you prefer to join with another group, advise me with which group you desire to associate.

I will say that Group IV consists of the counties of Cayuga, Cortland, Onondaga, Oswego, Jefferson and Madison, and its place of meeting heretofore has been Syracuse. I am requested to state to the members of Group V desiring to join Group IV, that meetings will be held at Utica, Watertown or Syracuse as shall be decided at group meetings.

Another group, that it might be convenient for you to affiliate with would be Group VI, comprised of the counties of Franklin, Clinton, Essex, Warren, Saratoga, Washington, Schoharie, Albany, Greene, Rensselaer, Columbia, Schenectady. Group VI, I understand, meets at Albany or Troy. I presume there would be no objection to meeting at Utica and Saratoga as well.

If you desire to join Group IV or VI, or any other group, please advise me by return mail.

The annual meeting of the association will be held July 15th and 16th, at Saratoga, and the council of administration is very desirous of having the questions above submitted settled at that time, as the by-laws must necessarily be amended if a reorganization is had.

Respectfully, JOHN A. KENNEDY, *Secretary*,

I have received replies from the banks in Group V. There are, I think, thirty-five banks in Group V. It is proposed to absorb Group V as follows:

Transferred to Group III.

Juliand Bank, Greene.
First National Bank, Oxford.

Transferred to Group IV.

National Bank, Waterville.
First National Bank, Utica.
Second National Bank, Utica.
A. D. Mather & Co.'s Bank, Utica.
Ogdensburg Bank, Ogdensburg.
Chenango National Bank, Norwich.
National Bank of Norwich, Norwich.
Herkimer Bank, Herkimer.
Bank of Gouverneur, Gouverneur.
People's Bank, Potsdam.
Farmers and Mechanics' Bank, Port Plains
First National Bank, Canton.
First National Bank, Walton.
First National Bank, Earlville.
First National Bank, Camden.
Farmers' National Bank, Rome.

Transferred to Group V.

Delaware National Bank, Delhi.
First National Bank, Bainbridge,
Manufacturers and Merchants' Bank, Gloversville.
Fulton County National Bank, Gloversville.
Johnstown Bank, Johnstown.
People's Bank, Johnstown.
Northville Bank, Northville.
Little Falls National Bank, Little Falls.
Farmers' National Bank, Amsterdam.
First National Bank, Cooperstown.
Second National Bank, Cooperstown.
Wilbur National Bank, Oneonta.
First National Bank, Franklin.
National Central Bank, Cherry Valley.
Utica City National Bank, Utica.
First National Bank, Morris.
Schenevus National Bank, Schenevus.
Canajoharie National Bank, Canajoharie.

That would necessitate a reduction of the number of groups by one, and would also necessitate a change of the by-laws in respect to there being eight chairmen of groups in the council of administration and five officers, and in one or two other particulars. One additional clause has been added, as follows:

"Banks or bankers joining the association shall select the group with which they desire to associate."

And then we provide that members of one group may be transferred into another upon application of the chairman of the group to which they belong and the approval of the chairman of the group to which they desire to be transferred. Notice of such transfer shall be filed with the secretary and the treasurer of the association.

J. R. VAN WAGENEN, Oxford: I do not know that it is necessary to bring the case of our bank before the full convention at this time. I think Mr. Kennedy was entirely justified in arbitrarily placing us in a group. I would not like to admit that Oxford was on a desert island where we could not get off or on in the course of twenty-four hours, but it happens to be so situated that the railroads are not convenient to the headquarters of either one of the groups. We can get there, however, and propose to spend the requisite time necessary for that purpose. I wrote to the secretary, as he will remember, that I was unable to make a choice in this case because of the peculiar conditions. Naturally we would go to Broome county and we would be most happy to go the group of which our honored president is the head. However, it so happens that it takes two nights to visit Elmira, and Elmira is in Broome county. Broome county is the extreme eastern end of the group, which is essentially a southern tier group, and we are immediately accessible to Utica. We are not to any other point. Syracuse is reasonably so. In view of the fact that our friends generally have selected Group III, which has hitherto held its meetings at Syracuse, I would ask the secretary if he will kindly place the First National Bank of Oxford, in his report, with Group IV, which consists now, as I understand, of Syracuse as well as Utica. Have not all the banks of Utica joined Group IV?

THE SECRETARY: All but one.

THE PRESIDENT: The committee will take that up, and place you where you want to be.

J. R. VAN WAGENEN: If that change could be made originally it will not require any further attention.

THE PRESIDENT: If there is no objection, all that part of the report of the Secretary relating to Group V and the changes that necessarily result in our by-laws will be referred to the committee on by-laws which has been appointed. There being no objection, it is so referred.

The next thing in order is the reports of the chairmen of the several groups. Group I is the first in order, A. J. Barnes of Buffalo, chairman.

REPORT OF GROUP I.—A. J. BARNES, *Chairman.*

Mr. President, Gentlemen, Members of the Association—As chairman of Group I, I have but little to report, as the spring meeting which should have been held was omitted and we attempted to have a joint meeting with Group II. The idea was thoroughly canvassed, and we found it could not be arranged on account of the early date of this convention. It was, therefore, decided to postpone the meeting until later in the season, or until after this convention.

We can report a thorough correspondence with all the banks throughout the group who are not members, and we have some very flattering letters from those people, and we look forward to the increased membership, especially by the time we hold our next meeting.

THE PRESIDENT: Group II, F. H. Hamlin, of Canandaigua, chairman.

REPORT OF GROUP II.—F. H. HAMLIN, *Chairman.*

Mr. President, and Members of the New York State Bankers' Association—At our last annual meeting our treasurer reported that Group II had no assets and no liabilities. Since that time under a changed administration we have just about held our own; and in view of the present financial condition of the world at large, we deem this a reasonably satisfactory showing.

We held our fall meeting at the Genesee Valley Club House in Rochester, on November 21. After a luncheon, supplied by our Rochester friends, we elected the following officers:

Chairman—F. H. Hamlin, of the Canadaigua National Bank.

Secretary and Treasurer—T. J. Swanton, of the Commercial Bank of Rochester.

Executive Committee—C. C. Woodworth, of Flour City National Bank of Rochester; R. W. Myers, of Commercial Bank of Rochester; N. H. Baker, of the Exchange National Bank of Seneca Falls; A. M. Holden, of the Bank of Honeyoe Falls; M. L. Baldwin, of Baldwin's Bank of Penn Yan.

After other business matters had been disposed of the members entered upon the consideration of the following topics:

(1) Corporations as borrowers; what they ought to expect from banks. What banks should exact from them.

(2) Points of difference between the individual and private banker.

(3) Ought not the work of collecting out-of-town paper be assumed by the customer rather than the bank.

Much interest was manifested and the discussion was continued in an informal way for a couple of hours.

Our summer meeting was held on June 5. We had a delightful meeting, which was made more so by the presence and the brief address of our President, Judge Dexter. Much of our time was devoted to social enjoyment, and if we solved no problems of interest to the banking world, we had a royal good time, which is the main purpose of our summer meeting.

During the year we have made an effort to extend our membership, and have reason to think that we shall be successful in so doing. We believe it of the utmost importance that our organization should be extended, and its influence broadened and strengthened. We are striving locally to effect that object. We are convinced that the bankers of the State must soon awake to the realization of the fact that an organized effort to perfect their interests is a necessity.

On the whole, Group II can be reported in a fairly prosperous condition.

THE PRESIDENT: Group III, G. R. Williams, of Ithaca, chairman.

REPORT OF GROUP III—G. R. WILLIAMS, *Chairman.*

Group III, with its seven counties in the southern and central part of the State, is a sort of little State by itself, in that its interests are much varied. It is an agricultural section, as you know. At its western end it comes in contact with the oil interests and the great capital needed for them. At its center it furnishes capital for mining and the handling of coal. At its east end, and in fact throughout all its little cities it furnishes a great deal of capital for manufacturing interests. Furthermore it has the happy faculty of taking care of its financial needs practically; of being self-contained in a way and self-supporting. Further, it has in hand considerable of inter-State trade and touches several of the larger export business enterprises of the country.

I have made this sort of preface to my report because it is out of such conditions that a strong, broad-minded thoughtful set of bankers come together and bring their problems into our bank meetings for discussion. Our meetings have for the year been meetings of great interest. They have been thoroughly practical meetings. They have been business meetings in every sense of the term. Therefore, they have been meetings which I think have been helpful in an educational way to the earnest men who have come together.

Nearly all the banks have sent representatives to the meetings. Nearly all the National banks are represented in our group meetings, although, as you notice, the membership is among the smallest of all the groups in the State. It is not because of inattention on the part of the bankers, but for the reason that we have not as large a number in the group as most of the bank groups contain.

We have also a very good number of the State bankers in the State in our group represented in our meetings and a very goodly sprinkling, too, of private banks—all bringing interest and adding quality to the helpfulness of the meetings we have held. We have had two meetings during the year—both held at Elmira, the most central and convenient place of meeting in our group.

I have referred to those living questions that have been brought into our meetings. I should not give a fair impression of these meetings if I left out the idea that questions of executive detail and of collection and endorsement, liability, payment of interest on deposits, questions of unjust taxation, and of forgeries and of burglaries and the like, had taken up all of our time. These are great questions and have had our thought, and it is along the line of them that bankers must wear out their lives in watchful care. A successful banker needs to be much more than a high class watch-dog. At our meetings have come up the larger questions of Government finance, of sound money, of the free coinage of silver, of needed protective legislation of banks, of a good examiner and how best to avoid the present perplexing variety in current notes. We have had a very able paper comparing the English and European currency with our own and their methods of managing the currency question. But we have known that we could not solve all of these questions, so we have felt the more free to consider them, to look fairly at their practical difficulties, thankful at last that we are privileged to be the good natured critic rather than the great mistake makers of the present financial age.

THE PRESIDENT: Group IV, F. C. Eddy, of Syracuse, chairman.

REPORT OF GROUP IV—F. C. EDDY, *Chairman.*

Mr. President, Ladies and Gentlemen—In behalf of Group IV I beg to report that meetings of the group have been held since the last annual meeting as follows:

On November 20 last, under the charge of my predecessor, Mr. Lamb, at which a most interesting address was given to the meeting by Mr. William Sherer, of the New York Clearing-House, on "The Clearing-House System," followed by a discussion as to the best method of preventing forgeries of bank paper, and an address on the "Liability of Stockholders of Banking Associations." The meeting was well attended, and the interesting programme evidently enjoyed by all present. At the conclusion of the meeting the election of officers was held, and an adjournment taken to the Yates Hotel for luncheon.

On April 19 the second meeting of the group was held, at which the questions "Currency Reform," "Abolishment of Restrictive Endorsements" and the "Relative Liabilities and Privileges of National and State Banks and Trust Companies" were discussed by the members. The programme adopted at this meeting omitted all formal papers either from members or speakers from abroad, and was consequently confined entirely to an informal discussion of topics by the members of the association. The local executive committee had some doubts as to the propriety of this course, feeling that possibly members of the group would not participate freely in the discussions, and the meeting would, therefore, lack in interest. I am most happy to report that the result was entirely different, the members engaging in the discussions actively and generally, resulting in a decidedly interesting meeting. Resolutions were passed recommending the appointment of a currency commission; also that it was the sense of the meeting that no benefits had been derived from the present form of endorsement, and recommending the use of an endorsement coupling the restrictive form with a guarantee of endorsement or of amounts and payment. The group also extended an invitation to such members of Group V as might desire to join Group IV.

The good results which have been brought about by the work of the group during the year are largely in the educational and social lines, by way of bringing the members into active discussion and consequent study of the topics suggested, and perhaps locally by an agitation of the interest question in the city of Syracuse—which it is hoped will eventually bear fruit, together with a large fellowship and broader acquaintance among the members and in increase of membership.

If I am to follow the suggestion of the president in regard to recommendations to increase the benefits derived from the group organization it would be in the line in part suggested by the proceedings of the last meeting of the group—to bring the work of the groups more into the educational line both within its membership and through them to the public.

The banker with whatever experience, be it ten, twenty or fifty years, who has no more to learn has in my judgment reached his decline, and I know of no way in which the individual is likely to inform himself so thoroughly as in preparing to inform others, while at the same time all are by such participation able to obtain that multitude of counsellors which ensures safety. In addition to this, if I make the suggestion, it would seem that an educational campaign might be organized and carried on to advantage by the various groups on lines of general as well as technical interest to themselves.

For example, in a recent issue of a Philadelphia paper the inquiry of a western subscriber regarding the profits of National banks is answered by the statement that National banks may proceed as follows: Purchase one hundred thousand dollars four per cent. bonds, producing an annual income of four thousand dollars, receive bank notes to the amount of ninety thousand dollars, to be loaned at from six to ten per cent., producing an income of fifty-four hundred dollars or more, less a tax of one per cent. on ninety thousand dollars or eighty-five hundred dollars or more net profit on the operation—followed by a general tirade against National banks.

In such an association as this an explanation of the misstatement would be almost an insult, and yet we must admit that to many who receive this paper the false statement is accepted as one of the eternal verities, and we can imagine the man making the inquiry posing as the oracle of the town in the country store, producing this article as proof-positive, and so carrying on his propaganda against the banks.

If those who are interested in and know the facts do not systematically meet such misrepresentations with the statement of the truth, who is there to do so? The political campaign brings periodical discussion from the party standpoint, but aside from this there is no intelligent discussion of such subjects.

What organization is there or can there be in better shape to meet these and kindred topics of general interest so well as the group system of the New York State Bankers' Association?

My suggestion would therefore be to more and more make the work of the association educational by bringing each member into active participation, so that all may have the benefit of the best ideas and systems that obtain within the membership, both in the detail management of the bank, the methods of credits, and all technical matters, together with a recognition of the broader relations which the bank and its officers sustain to the public—the logical outcome of which would be the establishment of a bureau of information or education on financial and business subjects, working through the various groups, and so disseminating financial and economic truths through every portion of the State.

THE PRESIDENT: Group V is next in order, but we have had a report from the secretary in reference to that group, that it has not held any meetings during the year. So there is no necessity for calling upon Mr. D. A. Avery, of Utica, its chairman, for a new report in the matter.

I will therefore call upon Mr. J. H. De Ridder, of Saratoga, chairman of Group VI, for a report.

REPORT OF GROUP VI—J. H. DE RIDDER, *Chairman*.

Mr. President and Gentlemen of the New York State Bankers' Association—It is with pleasure that Group VI responds to this part of the programme. Four years ago in this very room, at the call of several gentlemen from different parts of the State, a number of bankers assembled and organized this association.

It was of course with some doubts and fears as to what might be the outcome of the undertaking, but with our first distinguished president, Mr. Cornwell, ably seconded by other prominent bankers, who then, and since have rendered valuable service, proceeded to the work of organizing the State bankers' association it being the pioneer association adopting the group system.

How rapidly it has grown, and the success it has achieved are matters of record, and what was then its infancy has developed into an important factor and recognized position in the financial and commercial affairs of our State.

I offer the above as preliminary to the report of Group VI, showing the important part our group has taken in this association, also the fact, that the association has repeatedly honored us with its presence in three out of the four years of its existence. Surely, where could the bankers of the State find a better place for consultation and relaxation from care, than to partake of our health-giving waters, breathe the pure mountain air and enjoy the hospitality of our magnificent and spacious hotels?

Perhaps no other group stands so prominently among the groups of the association as VI. In point of area and number of counties we are the largest; as to number of banks, capital and surplus we stand third. The combined capital and surplus being nearly $12,000,000.

Within our bounds we have diversified industries, from the substantial and conservative business of the Capital City of the State, and the large and varied manufacturing interests of its near neighbor; we have all along its waterways immense water powers furnishing employment to a large number of people.

Within our group territory we have not only the manufacturing, mining and lumbering interests, but perhaps the best farming lands in the State, following the valleys of the Hudson and Mohawk, rich in their fertility and diversified in product, all contributing to the commercial interests of the State.

The period of depression through which we have passed has perhaps affected the industries of our group as keenly as any, but we feel that the victory for sound money, for honesty in the fulfilling of contracts, will inspire business enterprises with new courage and soon many of the manufacturing establishments that have been dormant for some time will teem with renewed and old-time vigor.

The banker in the past has given himself almost entirely to local interests and too little to the general good of all. When we have served the entire banking community well we have served our country well, for what other business comes so closely in touch with all commercial relations as banking? So the group system adopted by our association brings the banker in touch with his neighbor.

Since the last convention we have held one meeting in Albany, when officers were elected, able addresses given, followed by a collation enjoyed by all. There seems to be a lively interest in the group, uniform statements have been adopted, only one bank failure has occurred, all depositors having been paid in full, and I understand a good dividend for the stockholders is soon to follow. The number of banks that are members remains about as last year. Four banks have joined from other groups, none having withdrawn from ours.

Concluding, I would say it gives our group renewed pleasure to welcome again so distinguished a body of men as the bankers of the State of New York to its summer capital, with hope that your stay among us may be so enjoyable, so profitable and invigorating that pleasant remembrances will follow upon your return to your homes.

THE PRESIDENT: Group VII, Bradford Rhodes, of Mamaroneck, chairman.

REPORT OF GROUP VII—BRADFORD RHODES, *Chairman.*

Mr. President, Ladies and Gentlemen—It is always a pleasure to speak for Group VII, for while we lay no claim to superiority over our fellow bankers of other parts of this great State, there is a manifest disposition on the part of our membership to work enthusiastically and unitedly in promoting the purposes of this association.

Under the wise system of supervision prevailing in this State, banking is generally conducted on the safest lines developed by experience, and therefore any radical reforms in banking methods were not to be expected; but we believe that some beneficial changes have been made in this direction, and such other wise expedients will doubtless be adopted as occasion may require.

In the last national campaign, when the main issue to be determined was a financial one, and when the questions which usually divide political parties were swallowed up in the one great issue of maintaining public and private faith, and sticking to the simple principles of common honesty, Group VII spoke in no uncertain tones, and our reiterated declar tions in favor of a stable currency had a most salutary effect in strengthening public sentiment and reinforcing the courage of weak-kneed politicians.

That was our position in the late memorable contest now passed into history, and that is where we stand to-day and always—firm as a rock against every proposal to degrade the money of the country, either by the free coinage of silver or the issue of inadequately secured bank notes, or by any other scheme that is unsound in principle or in the nature of a doubtful experiment. Divide as we may on other questions, as custodians of the people's money we are united in the belief that the quality of that money should not be made the subject of legislative caprice or populistic whims, but that it must be kept as

"Constant as the Northern Star,
Of whose true fixed and resting quality
There is no fellow in the firmament."

The annual meeting of Group VII, held at the Murray Hill Hotel in New York city, on the fifth of last December, was especially notable, the attendance being but little short of one hundred, and the speakers including such distinguished gentlemen as Mayor William L. Strong, former Secretary of the Treasury Charles S. Fairchild, former Comptroller of the Currency William L. Trenholm, Hon. Horace White, and the eminent lawyer, William B. Hornblower, Esq., also the Chairman of the Banking and Currency Committee of the House of Representatives, Hon. Joseph H. Walker.

The addresses of these gentlemen who honored us with their presence, combined with the regular features of our programme, made this meeting not only a very pleasant one but highly beneficial from an educational and practical standpoint.

On that occasion it became my pleasing duty, on behalf of the group, to present a silver loving-cup to Mr. Samuel D. Coykendall as a memorial of his hospitality in entertaining the members of the group and their guests at the meeting held at the New Grand Hotel in the Catskills, June 26 and 27, 1896. The gift was accepted by Mr. Coykendall in an appropriate speech. The cup was of handsome design and suitably inscribed. This presentation signalized an event that will always be memorable in the annals of Group VII, and I am sure that all who were there will long cherish delightful recollections of Mr. Coykendall's generosity as a host.

At our last annual meeting Hon. Edward Elsworth, President of the Fallkill National Bank of Poughkeepsie, was elected chairman of the group, but unfortunately the state of his health prevented him from serving us in that capacity, and at a business meeting held on May 22 last the chairmanship was again bestowed upon the present incumbent.

While we have given due attention at our meetings to a discussion of all wise expedients for promoting the business interests of the banks in the group, it is also gratifying to state that the social features of our meetings have been productive of great good in bringing about a better acquaintance among the bankers of the several counties comprising the group. We feel that even from the standard of dollars and cents it is good for us to know one another, and that there is a wider and higher advantage in the friendships formed and the enlarged knowledge and broadened view that come from an interchange of ideas and experiences.

This year's report of the secretary shows no loss of members from Group VII, which now has the largest percentage of membership to the total number of banks in the territory of any group in the State outside of New York city. In the county of Westchester every bank is a member, and it is the earnest hope of the group that by diligent effort the few remaining banks in other counties that are not members may be added to our roll before the next annual convention.

The banking business in Group VII is conducted on a safe and conservative basis, and while our banks are not exceptional in this respect, it is a pleasing fact to record nevertheless.

We are not living on memories of the past, but are endeavoring in the best way we know how to meet the conditions and emergencies of the present, firmly convinced that the surest way to enduring progress and the only guaranty for the future is in keeping along the beaten paths where the guide-posts pointing toward Absolute Integrity and Wise Conservatism lead us through roads that converge at length into the broad highway of prosperity.

THE PRESIDENT: Group VIII—Walter E. Frew, of Long Island City, chairman.

REPORT OF GROUP VIII—WALTER E. FREW, *Chairman.*

Group VIII is in a flourishing condition. We have a membership of forty-three banks, there being only three banks that have not joined, but we hope to report at the next convention a full membership.

This is the first organization of the kind that has been in existence in the territory covered by our group, and judging by the interest taken in it by the banks, the necessity of such an organization is apparent.

The policy decided upon by the official board was to have no one present that was not an officer, director or delegate of one of our banks—commencing by a dinner and the business meeting following. The object of this policy was to make our meeting very informal, and we make them as nearly as possible a family gathering where we talk over in a friendly way

VIEW AT THE FISH DINNER, MOON'S HOTEL.
SARATOGA LAKE.

our local needs and methods to improve our business. The success of these meetings has proved the wisdom of this policy.

At these meetings discussions take place and gentlemen take part and offer suggestions on various subjects, who would not think of speaking in a formal meeting or if they were liable to be quoted in the public press the next day.

Our executive committee have been exceptionally conscientious in their duties; the gentlemen composing that committee have endeavored in every way possible to make our group organization of some practical benefit to our banks. They endeavored during the last session of the Legislature to have the laws relating to the taxation of bank stock so amended as to make them uniform with the laws relating to the taxation of trust company stock, but they were unsuccessful, although it was not any fault of theirs. They have zealously guarded the interest of our banks in every particular. A short time ago the assessors of a city located in our territory enormously increased the assessment of a number of our banks—the executive committee was immediately convened, called the group together in special session, a committee was appointed to confer with the assessors, which was done in a business-like manner, and all concessions asked for were granted. A similar committee was also appointed to look after the interests of the other banks of our group.

Our executive committee also did some good practical work by presenting to our group a plan of mutual protection against opening undesirable accounts, which the following resolution adopted by our group will explain:

Resolved, That all members of this group shall send to the secretary in writing the names, business and addresses of individuals, firms or corporations who come under the following head:

Class A.—Those who have caused banks to lose money by swindling.

Class B.—Those who have caused banks to lose money by false statements.

Class X.—Accounts closed for satisfactory reasons.

This list shall be preserved by the secretary and kept strictly confidential. When any member of the group desires to know if a party in which they are interested is on the list they inquire of the secretary who shall reply "Yes" or "No" and under what class they are listed.

This plan is a step in the right direction to prove in certain lines banks can work together as one bank without injury, and is proving the value of organization.

Our group held three regular and one special meeting during the year, where we listened with pleasure and profit to addresses by Hon. A. B. Hepburn, Murat Halstead, Ex-Mayor D. A. Boody and the Hon. Stephen M. Griswold on the "Currency Question." A paper on "Bank Examinations" by J. F. Ashley, Cashier of Union Bank, Brooklyn. Mr. Ashley having served for a number of years as bank examiner under Mr. Hepburn, was able to give us a valuable practical paper on this subject. A paper on "Bank Officers and Depositors," by Mr. H. Bernard Coombe, Cashier of People's Bank, Brooklyn, received the recognition it deserved by being published by our local press as well as in the "American Banker" and the BANKERS' MAGAZINE. A paper on "Western Investments" was presented by Samuel B. Smith, President of Far Rockaway Bank, Far Rockaway, L. I. Mr. Smith having had experience as a western as well as an eastern banker, his paper was especially interesting to us. This paper was also published by the daily and financial press. A paper on "What Can be Done to Increase the Usefulness of the New York State Bankers' Association and the Several Group Organizations," was presented by Mr. Douglass Conklin, Cashier of the Bank of Huntington, Huntington, L. I. In his paper Mr. Conklin urges the association to form a Bureau of Literature to supply the press with articles explaining the fallacies of the arguments ot free silver enthusiasts. He recommends the association through the chairman of each group to see that each member of the association be supplied with bills introduced in the Legislature relating to banks as soon as possible after introduction so they can be discussed at group meetings and considered by the executive committee, and in the event of them becoming laws the officials of the various banks will be in possession of the new laws without having to wait until the session laws are published.

We believe our group is thoroughly organized and of value to our banks, but we also believe the State association can make it more valuable if they so choose. What I refer to is the subject of equalization of taxation of banks and trust companies. Group VIII has for three years given this subject careful and conscientious attention. The first year they worked with a similar committee of Group IX, and were nearly successful, the bill having passed the Senate by a vote of 21 ayes and 1 nay, but died in the Assembly; since then our gronp has worked alone.

This is an important subject for all the banks in this State to carefully consider, for it is only a question of time when you will have to meet the competition of trust companies as the banks of Group VIII are doing.

Our banks only ask to be placed on equal footing with their competitors, and I believe if this association will take hold of this matter, have the council of administration give their undivided attention to having this wrong rectified, urge the nine group organizations to use all their moral power to help it, have the subject placed in the proper light before the public, through the press, showing how banks are taxed and how trust companies are taxed, also show the privileges trust companies have and the privileges banks have, and it will not be long before a measure will pass the Legislature that will enable us to compete with our competitors. If this is the only act done by the incoming administration it would do well—for one thing well done is better by far than a dozen half done. This subject is an important one to Group VIII, as the competition with trust companies in their group is probably more than any other group in the State. Unfortunately a number of directors in our banks are also trustees in trust companies and my own personal observations have compelled me to form the opinion that the efforts to adjust these matters are not urged with the vigor the occasion requires on account of this dual directorship, and it is only a question of a short time if these laws are not altered that a number of banks will liquidate as banks and organize as trust companies. This organization as an association of banks should do all in its power to remedy this evil so that this last step will not be necessary.

THE PRESIDENT: Group IX will now be heard from, F. B. Schenck, chairman.

REPORT OF GROUP IX—F. B. SCHENCK, *Chairman.*

On behalf of the executive committee of Group IX, I beg to report that the present membership of the group numbers 102. There are only ten banks eligible to membership in the group that are not now members of this association. Each of these banks has been written to, and several of them have been personally solicited to renew their membership or join the association.

The second and principal meeting of the group during the present year was of a purely social character, and in that respect the gathering was, we think, unique in the history of the banks of New York city. A subscription dinner at the Hotel Manhattan, New York city, was attended by representatives from nearly all the banks of the city, and there were also present the Mayor of the City, the Comptroller of the Currency and other distinguished guests. The dinner was pronounced to be such a success that it was proposed to have the occasion repeated annually.

The New York Clearing-House Association unites all the banks of the City of New York, in their business relations, and hence in a large measure, of necessity, supplants what is intended to be the work of the bankers' association within the other groups. We believe, however, that the banks of New York, as a group, will be drawn into closer relations, from year to year, through their membership in the State Bankers' Association, and that important benefits may arise in the future from such relations.

The executive committee of Group IX held several meetings to consider applications for membership by banking houses which were received subsequent to the passage of the bill known as the Sullivan Banking Law. That bill failed to become a law for lack of the Governor's signature, but the applications for membership which were received all had to be considered, notwithstanding. As they came largely from members of the New York Stock Exchange, which is a very numerous body, it was decided by the executive commitee of Group IX, that it might not be well to admit to membership in the association those houses which were supposed to be doing mainly a stock brokerage business, and therefore all such applicants were denied admission to the association. On the other hand, about a dozen banking houses who were believed to be doing a regular deposit banking and foreign business were admitted to the association.

In view of the fact that the Sullivan Banking Bill may be revived at the next session of the Legislature, and in which event there will doubtless be presented a much larger number of applications from bankers and brokers, it may be desirable for this convention to express an opinion as to the desirability of admitting to membership in the association others than banks and those individuals and firms which are supposed to be doing a regular discount and deposit banking business. This question is likely to be most pressing in New York city, and therefore the executive committee of Group IX will be glad to have a ruling on the subject. I suggest that the subject be referred to the committee on resolutions.

THE PRESIDENT: If there is no objection, that portion of the report of Group IX is referred to the committee on resolutions.

The next order of business is the nomination of officers for the ensuing year. Heretofore it has been the custom to take an informal ballot, without having any nominations made, but it was felt that that did not give full opportunity to each group to present a candidate, if they had one, and so at our last annual meeting a resolution was adopted providing that at this meeting the groups would be called in their order and if they have a candidate to present for any office they might name him. Instead of beginning with Group I, it has been suggested that we begin at the other end. Therefore, the Chair will call upon Group IX.

JAMES G. CANNON: You have omitted one item on the programme, Mr. President—"Presentation of resolutions."

THE PRESIDENT: Yes; that is so. Are there any resolutions to be presented?

MR. CANNON: I desire to present the following resolution:

"*Resolved*, That the communication of the Iowa State Bankers' Association and such parts of the president's annual message as may pertain thereto be referred to a special committee of three, who shall report upon the same to this convention."

Mr. Cannon's resolution was adopted.

The president appointed as the committee, James G. Cannon, of New York; Anthony Lamb, of Syracuse, and F. B. Schenck, of New York.

THE PRESIDENT: The presentation of resolutions is still in order. If there are none further we will pass to the order of business about which I was speaking a moment ago, and I will call upon Group IX.

NOMINATION OF OFFICERS.

F. B. SCHENCK: Mr. President—I had expected that the other eight groups would be called upon first, but Group IX is ready with a nomination. I have been instructed by our executive committee to present the name of a gentleman whom we think will do honor to this association, who is well calculated to preside over its gatherings, who represents the largest bank in the largest city in the State, and whom we all know as an affable and delightful gentleman. I therefore take pleasure in placing in nomination for president of this association Hon. A. B. Hepburn, of New York.

The President: Group VIII.

S. M. GRISWOLD: On behalf of Group VIII, I take pleasure in seconding the nomination of Mr. Hepburn. In doing so I desire to say that it is extremely gratifying to me to have the opportunity to discharge an obligation which I feel that I am under. I do not forget that one year ago at Niagara Falls Mr. Hepburn paid me a very pleasing compliment when I was nominated as your vice-president—an office, by the way, that is full of honor and nothing to do. I believe the election of Mr. Hepburn as president will strengthen the influence, promote the efficiency, and reflect credit and honor upon this association.

The President: Group VII.

C. A. PUGSLEY, of Peekskill: Mr. President and Gentlemen—I have listened with pleasure to the gentlemen who have placed in nomination Mr. Hepburn, and I heartily concur in all that has been so admirably said in regard to him. He is certainly worthy of any honor in our power to confer.

But, gentlemen, after listening to what has been so eloquently said on the other side of the hall, I feel somewhat like the Irishman who had imbibed a little too freely, and was going home late one night, and who had to cling to a lamp-post for support, and a friend passing on the other side of the street called out: "Pat, come over here." "Come over here," said Pat. "Begorra, I 've got all I can do to stay where I am."

Gentlemen, a little pleasant rivalry in the selection of officers for our association is, to my mind, very profitable. I think it will be unfortunate for this association when its officers are slated and selected in advance.

Gentlemen, Group VII desires to present for the office of president of this association, a man most thoroughly equipped for it, a man who is a host in himself; a man successful whether in the editor's chair, in legislative halls, as bank President, as farmer, or as chairman of Group VII. A man who is in close touch with the banking interests of this State; and not only of this State, but in close touch with the banking interests of our whole country; a man whose voice has frequently been heard in behalf of sound currency and currency reform; and last, but not least, a man who has gathered about him as chairman of Group VII more ladies than any other chairman in the State. He invites them, and they come, whether to the grand and restful heights of the Catskill Mountains or into the busy hum of the imperial city of the Empire State, to grace and lend an additional charm to the meetings of Group VII; and, gentlemen, if to-morrow afternoon on the floor of this convention the ladies could have a vote I am sure our candidate would be elected.

I have the honor to present to present to you for President of this association the name of the Hon. Bradford Rhodes.

JOHN B. DUTCHER, of Pawling: Mr. President—I had expected to make a little speech in seconding the nomination of Mr. Rhodes, but my friend from Peekskill has stolen all of my speech except the story about Pat and the lamp-post; I had nothing to do with that. Consequently, I do not know that I can offer anything in behalf of Mr. Rhodes in addition to what Mr. Pugsley has said. Peekskill is noted for appropriating everything that is to be said on occasions of this kind. I see you all recollect another distinguished citizen of Peekskill who talks whenever he gets a chance, and after he gets through there is nothing left for anybody to say. So it is with my friend, Pugsley. I second the nomination of Mr. Rhodes.

C. F. VAN INWEGEN, of Port Jervis: As a member of Group VII it gives me pleasure to add a word of testimony to what has already been said on behalf of Mr. Rhodes.

It has been my good fortune to meet Mr. Rhodes at every session of this association since its organization, and at practically every session of Group VII, and during the past year at every session of the council of administration. I have always found him deeply interested in the purposes and aims of the association, and manifesting a painstaking and untiring zeal in his efforts to advance those purposes. I have always found him a valuable member of our group, and he has been a very successful chairman of the group, and I feel assured that he would make an excellent president of this association. I very heartily second his nomination.

BRADFORD RHODES, of Mamaroneck: Mr. President and Gentlemen—I belong to Group VII, am proud of it, and rise to second a nomination other than the last name mentioned. I want to arrest myself. I can do that. According to the newspapers, a constable up in my town arrested himself the other day. Standing here in the presence of my friends from Group VII, and surely from other parts of the State as well, I can say from my heart that I verily believe the interests of this association would be best subserved by electing to the office of president the Hon. A. Barton Hepburn. And for this reason, in addition to what has been stated by Mr. Schenck: the City of New York, now the peerless city of the Western Hemisphere, will certainly play an important part in the coming year in shaping the finances of our nation, and I think that the ex-Comptroller of the currency, the Vice-President of the commercial bank having the largest deposit line of any in the United States, possesses qualities which admirably fit him to direct the affairs of the association during the ensuing year. Therefore, gentlemen of Group VII and friends, I beg to decline the proffered honor and to most heartily second the nomination of the Hon. A. B. Hepburn.

There is just one more reason, and I think it very pertinent. According to the last published report the New York city group had in this association eighty-one per cent. of its eligible members, and our group had but eighty per cent. We are one per cent. below New York city and, therefore, we are not entitled to the honor. Group IX took in twenty-one private bankers a short time ago, but that does not change the percentage, as heretofore private bankers have not been counted in the eligible list. I believe, however, that private bankers transacting a general deposit and discount business should be admitted to membership, but none others. Private bankers don't grow in our group, or haven't as yet. On the basis of State and National banks only, by next year we will try to increase the percentage over New York. Therefore, I thank you, gentlemen, for this expression of your confidence, and decline in Mr. Hepburn's favor.

THE PRESIDENT: Group VI.

WILLIAM KEMP, of Troy: Mr. President—I was delighted with the remarks made about my friend, Mr. Rhodes, for I allow no man to place me second in admiration for the valuable services he has rendered to this association. But, sir, a large number of the members of Group VI have requested me as their spokesman, having in view the interests of the association, to second the nomination of Hon. A. B. Hepburn, believing that the interests of the association will be advanced by his election to the presidency.

THE PRESIDENT: Group V.

W. I. TABER, of Herkimer: Mr. President and Gentlemen of the Convention—While New York city claims the nomination for the office of president, I feel that Group V may be pardoned if it takes a deep interest in the success of the Hon. A. B. Hepburn, as it was from that group he started out upon his career, and in behalf of GroupV I, have the pleasure of seconding the nomination of A. B. Hepburn for president.

THE PRESIDENT: Group IV.

GEORGE B. SLOAN, of Oswego: This association in its past sessions as well as now, seems to possess the happy faculty of settling all differences wi hout any possibility of friction, or leaving any unpleasant feeling behind. I think I can say with as much sincerity as any member of this body can, that I heartily approve of the partiality that has been shown here to the candidacy of the Hon. A. B. Hepburn, as the next president of the association. I may say that his career in the field of legislation, in the field of finance, as a banker, as a man who in a very short space of time has made a reputation in the great money center of this country, of which any man of much longer experience might well be proud, is a gentleman preëminently fitted to take the presidency of this association, and the association is very fortunate in having in its membership a gentleman of that character, because while it is an honor to Mr. Hepburn to be the president of this association, his presidency will also bring honor to the association.

But in paying this tribute to Mr. Hepburn, I want to say that from a long personal acquaintance with Mr. Rhodes, I think that he possesses the qualities that most eminently fit him to be the presiding officer of the association, and if he had been the choice of this convention—in other words, if the convention had had the opportunity to make a choice between him and the gentleman whose name is now the only one before it, no mistake could have been made, no regret could have followed the decision, whichever way it pointed. I may go so far, I think, as to say indeed, that as it seems to me, the convention owes a debt of gratitude to Mr. Rhodes for his generosity on this occasion, in doing that which it has appeared to him will make such unanimity as could not have been obtained in making a choice had he taken a different course, and I feel, therefore, that we are in his debt for relieving some of its members, possibly many of them, from embarrassment with wh ch they would have found themselves confronted, had they been obliged to vote for one in opposition to the other; to take a position with those two gentlemen standing before this convention as rival candidates. We ought to feel very kindly to Mr. Rhodes for what he has done in that regard, to promote a feeling of unity in this body, which is so important and valuable for its prosperity and growth. Of course, there is no choice now, except to vote for Mr. Hepburn, and I for one, as a member of Group IV, and so far as I have heard expressions of opinion from other members of that group, acting in accord, I believe, with a unanimous sentiment there prevailing, shall most heartily, and with a belief that we are advancing the interests of this association, cast my vote in favor of the election of the Hon. A. B. Hepburn, as its next president.

THE PRESIDENT: Group III.

G. R. WILLIAMS, of Ithaca: The gentlemen present are such good judges of endorsements that I think the paper is already good, Mr. President, without any further endorsements.

MR. PRESIDENT: Group II.

F. H. HAMLIN, of Canandaigua: On behalf of Group II, I second the nomination of the Hon. A. B. Hepburn.

THE PRESIDENT: Now we have cornered Group I at last.

WILLIAM C. CORNWELL, of Buffalo: Rising on behalf of Group I to second the nomination of our friend, Mr. Hepburn, we can do little else than repeat in our tribute to him what has already been said. We say of him that he is eminently fitted by education from his youth up to fill this position. His capacity includes great executive ability, high intelligence, a thorough acquaintance with the banking business, and a charming literary ability. In addition, he is a mild mannered man, gentle, simple, modest and unselfish—a friend to every one of you, and every one of you, I know, is a friend to him.

THE PRESIDENT: Nominations for president are closed, and there having been only one name presented—that is one of them that was presented having been withdrawn by the nominee declining to stand—of course it is unnecessary to take an informal ballot to determine who the nominee shall be when we come to the nomination of officers at our last session.

THE PRESIDENT: The next officer to be nominated is vice-president.

LEDYARD COGSWELL, of Albany: In behalf of old Albany I would nominate Mr. Edward A. Groesbeck, of the National Commercial Bank, for vice-president of this association.

C. F. VAN INWEGEN, of Port Jervis: In behalf of Group VII, I second the nomination of Mr. E. A. Groesbeck for vice-president.

F. B. SCHENCK, of New York: In behalf of Group IX, also endorse the nomination of Mr. Groesbeck.

THE PRESIDENT: There being only one name presented for the office of vice-president an informal ballot is not necessary.

The next officer to be nominated is treasurer, and I will call upon Group I to make a nomination.

A. J. BARNES, of Buffalo; Group I nominates for treasurer F. W. Barker, of Syracuse.

ANTHONY LAMB, of Syracuse (Group IV): In behalf of Group IV, I wish to second the nomination of F. W. Barker. Mr. Barker has been connected with this association since its organization; in fact he was one of the promoters of it, and he has at all times given it his attention and has done a great deal of work towards its development. I very heartily second his nomination.

W. G. Schermerhorn, of Schenectady, in behalf of Group VI; Walter I. Frew, of Long Island City, Group VIII, and F. B. Schenck, of New York, in behalf of Group IX, also seconded the nomination of Mr. Barker.

THE PRESIDENT: Only one name has been presented for treasurer, so no informal ballot is needed. Nominations for secretary are now in order.

A. J. BARNES, of Buffalo (Group I): I nominate W. I. Taber, of Herkimer, for secretary.

D. A. AVERY, of Utica (Group V): I second the nomination of Mr. Taber. I think he would make a very efficient secretary.

J. H. DERIDDER, of Saratoga (Group VI): I take pleasure in seconding the nomination of Mr. Taber.

S. M. GRISWOLD, of Brooklyn (Group VIII): I desire to place in nomination for the office of secretary of this association Walter E. Frew, President of the Queens County Bank, one of the most efficient men we have in our group, and a man who would make an excellent secretary for this association, without disparaging at all the remarks that have been made as to the fitness of the other gentleman who has been named.

THE PRESIDENT: There being only two names presented, there is no necessity for an informal ballot at this time, as those will be the two names submitted for the formal ballot when we come to the election to-morrow; namely, W. I. Taber, of Herkimer, and Walter E. Frew, of Long Island City.

AFTERNOON SESSION.

THE PRESIDENT: We are to listen to a paper this afternoon on the "History of the Banking Systems of New York and the Banking Department," by the Hon. F. D. Kilburn, Superintendent Banking Department.

[Mr. Kilburn's paper is reserved for publication in a subsequent number.]

THE PRESIDENT: If we adjourn at four o'clock, the hour now fixed for our adjournment, we shall have time for only one more paper this afternoon, and that will be an address entitled, "A Phase of Currency Reform," by Mr. F. E. Lyford, President First National Bank, Waverly.

A PHASE OF CURRENCY REFORM—ADDRESS BY F. E. LYFORD, PRESIDENT FIRST NATIONAL BANK, WAVERLY, N. Y.

In business, as well as in the other affairs of life, we follow beaten paths, and not till something occurs that meets our unqualified disapproval, do we realize that we have been drifting along, doing more work than necessary and not seeing dangers that could easily be avoided.

At the first meeting of our group held after the beauties of the late issue of silver bills had begun to pall upon our taste, and these works of art had failed to find a champion - no one having a good word to say for this addition to the already too numerous varieties of notes in circulation—I asked if something could not be done to prevent the recurrence of such an infliction, and the number of designs of notes in use be reduced instead of being added to; also, if we could not take some steps to induce the Government to make some radical changes in the present method of every few years issuing something new in the way of currency for the public to study and become familiar with.

I was encouraged by the remark of one of our members, that these bills very much resembled tomato-can labels, and the thought that this kind of paper might become current, possibly legal tender, may have been the reason for the president of this association asking me to present this "Phase of Currency Reform" to you for consideration.

At first thought this subject may not seem of much importance, but I trust you will give it due consideration and be able to make some suggestions that will result in the improvement of our currency system in this particular line. Discussion of the currency question has been very extended of late; but as often happens theories have received so much attention that some of the practical sides of the subject have not been touched upon.

"It is a condition that confronts us, not a theory," and we certainly ought to be willing to do or say something that will bring about a change for the better, if possible.

Wishing to find out what the policy of the Government was, I wrote to the Treasury Department and was informed "that some of the changes have been made because of the discovery of dangerous counterfeits, others because the designs have been proved unsatisfactory when tested by the circulation of the notes;" and the letter further stated that "the matter lies within the discretion of the Secretary of the Treasury and each successive Treasurer has, no doubt, had satisfactory reasons for whatever action he may have taken."

By this you will see why so many specimens of the designer's art have been sent out from time to time; also why we were threatened with a portrait gallery of deceased statesmen as currency at one time.

It also shows that probably the Secretaries of the Treasury have drifted along the road followed by their predecessors, and as neither the bankers nor business men have entered any protest, they have seen no reason for them to bother with making any changes. This may not be just to these men, but the present condition of our currency points to no other conclusion.

Banks are not using the forms or methods in vogue thirty years ago, but are looking for something all the time that will simplify their work and remove as far as possible all dangers that they are subject to in any branch of the business.

The Government evidently has not pursued this course in managing this department of the Treasury, if we are to judge by the results; and we can only think that the Secretaries of the Treasury have not been men of practical experience in the details of business, or this question might have arisen in their minds, even if the public were in the habit of accepting whatever they might do without any objection or criticism.

It certainly looks as if the subject had not been very thoroughly studied by them, or they would have seen that improvements could be made very easily and the people better served.

It may not please those inclined toward "jingoism" to look at the methods pursued in some of the older countries, but we should always be willing to secure information from any source, and for the sake of comparison and study, a statement of what some of them have been and are doing cannot help but be of value to us in considering this matter.

In Germany, the Reischbank issues six different denominations of notes, each having a separate design as well as color and size. These have been changed but once and then the first were withdrawn from circulation as the new ones were issued. There are only eight banks of issue in Germany at the present time, each using the same number of denominations as the Reischbank, but different designs from it and from each other.

The Bank of France has the exclusive right to issue notes in that country and uses four denominations, each of different design and size, but of the same color.

In Austria the Government issues three denominations of notes, each of different design and size, but of the same color.

The *Oesterreichisch Ungarische* is the only bank of issue and follows the same plan as the Government, using the three denominations, each of different design and size, but of the same color.

You are all more or less conversant with the Bank of England notes, which are very simple in design and are considered quite safe from imitation, because of the plan followed of redeeming every note when it is returned to the Bank, even if it is on the same day.

The Canadian system of banking has been very favorably spoken of lately, but their circulating notes are subject to the same criticism as ours, that they have too many designs, although they do not have as many counterfeits as we do in proportion to the number of designs in use. Conditions and methods of handling all lines of business in these countries are very different from ours, and from what we know of the people, it is safe to say that they are much more inclined to stick to the old ways than we are, so that we should hardly feel like adopting their ideas; but by inquiry, comparison and study, we could find the good points of their systems as well as ours, and out of the knowledge gained something might be evolved that would be a great improvement over any or all plans now in operation.

The new designs of notes have been issued at such intervals that we have not realized to what extent our currency was being expanded in this line. It is possible that some of you know how large a number of designs have been put into circulation, but if you do you are guilty of a sin of omission in not calling a halt long before this. It is more probable that you have done as others have, taken the bills as they came and asked no questions.

The Government has issued notes as follows: Of one-dollar bills, five designs; of twos, five; of fives, six; of tens, six; of twenties, eight; of fifties, six; of one-hundreds, six; of five-hundred, eight; of one-thousands, eight; of five-thousands, five; of ten-thousands, five—a total of sixty-eight, and when you add to this the National bank notes (which we consider as alike, although they differ to some extent) you have seventy-five designs of notes that have been put into circulation in a little over thirty years.

Some of the notes first issued and the larger denominations cannot be counted as in use, but you all know that there are a large number that we must be very familiar with, to feel safe in handling them.

In the larger banks, where the currency is handled only by those who can be called experts, this may not seem a serious objection to the present system; but in the smaller institutions it assumes another aspect, and the general public should be considered also, for we certainly do not wish the present policy followed till every business man has to wear a bill reporter, as we are told they used to do in the good old days of State banking. Are we not approaching that condition of affairs?

In addition to the genuine notes there are the counterfeits to be looked after. There are listed one hundred and twenty-nine counterfleits of the National bank bills and one hundred and fifteen of the Treasury notes, and as there are only two of these of larger denominations than the one-hundred-dollar bills, we have over two hundred and forty of these pests to keep up a passing acquaintance with.

Add these to the number of genuine notes and it creates a total that gives some importance to the subject, does it not? When you think of this large number of bills to be kept track of, is it not wonderful that no more bad notes are in circulation, and is it not strange that no one has "kicked" long before this and asked to be relieved from the burden of having to become so familiar with them, that they could be sure that they were not using anything but genuine notes. One of our customers says that he never has been bothered with counterfeits, as he has always been able to pass out anything he took in.

Possibly some banks do the same, but can they be very much blamed? We cannot all grow up with the currency, and a new hand at the business is surely very badly handicapped.

The fact that the list of counterfeits of National bank notes is larger than that of the Government issue, would make it seem as if the larger number of designs was a safeguard in this particular; but upon studying the list it does not show this to be the case, for the National bank notes were more largely imitated at first, but of late years the others have been the ones the counterfeiters have been working at largely. I find that the Chief of the Secret Service Division of the Treasury comes to this conclusion; that the diversity of designs is the great fault of the present system, for he says in his report for 1896: "The counterfeiting of paper money decreased materially during the past year, as evidenced by a comparison of the list of new counterfeits with that of former years; this can, in part, be accounted for by the large increase in raised or altered notes found in circulation, some of which are most skillfully executed. The reasons for this are to me apparent, in that the latter industry is more lucrative to the criminal and more difficult of detection by the public, the constant changing of designs for the currency making it almost impossible to become thoroughly familiar therewith."

It seems as if this report answers any argument that could be advanced in favor of continuing the present system, for certainly a criticism made by a man who is studying the question from this point of view, and as thoroughly as he has to, should have great weight.

The changing of the designs and milling of our subsidiary coin may not have been particularly dangerous, but it is and always will be an aggravation to have to handle different sizes of coin. This action showed that the Department was following out its policy very consistently.

The subject is now before you for consideration and discussion, and the questions are: Is the present system of issuing notes for circulation faulty and dangerous? If so, what steps can be taken toward correcting the evils recognized; and shall this association do anything to try and bring about the reform needed?

The withdrawal of the late issue of silver certificates is certainly a partial answer to the first query, and it is doubtful if any argument can be brought forward in favor of the present method that this action will not fully refute.

With some of the former Secretaries of the Treasury the prospects of accomplishing much in the way of reform in this matter might not have been very encouraging, but with such a man as Mr. Gage, thoroughly in touch with all of the practical business questions confronting the people to-day, quick to perceive faults or merits in almost any proposition submitted to him, certainly there could be no more favorable time to take up this question with the Department, with the chances so much in favor of its receiving careful and thorough investigation, and nothing could be done that would more surely secure for this "Phase of Currency Reform" proper consideration than a resolution passed by the New York State Bankers' Association, requesting the Secretary of the Treasury to look into the subject at his earliest convenience and give to the business men of the country the benefits of his conclusions after so doing.

THE PRESIDENT: This paper is before you, gentlemen, for any discussion or any question that may be in the minds of anyone in reference to the subjects considered in it.

E. O. ELDRIDGE: Mr. President—I believe this body will agree with me that Mr. Lyford's suggestions are worthy of more than passing consideration. Therefore, if it be in order, I move that the committee on resolutions be instructed to prepare a resolution to be transmitted by the secretary of this association with a copy of Mr. Lyford's paper to the Secretary of the Treasury commending the same to his respectful attention.

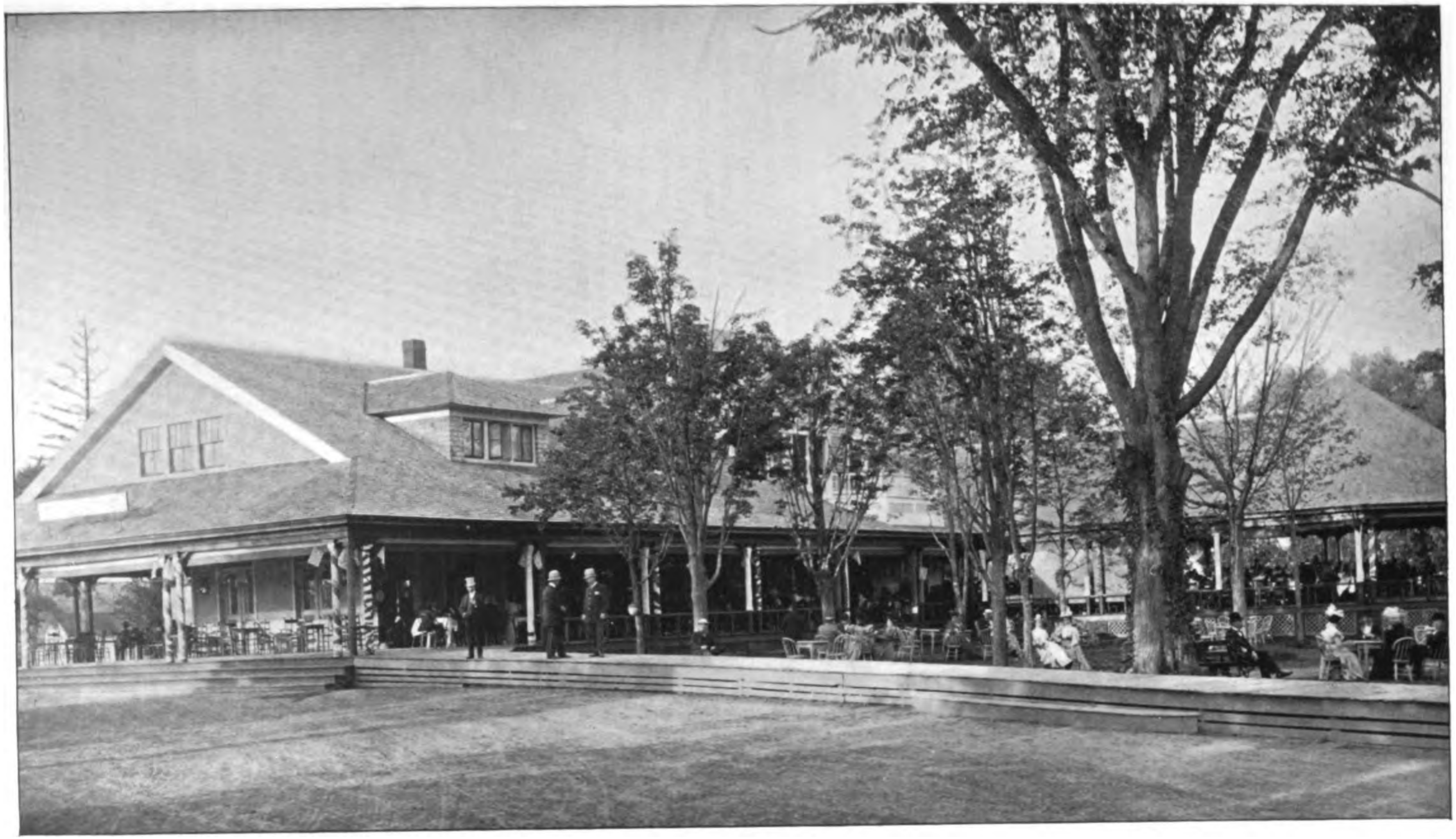
The motion was seconded by F. C. Haviland, of Hudson, and was adopted.

THE PRESIDENT: Before adjourning I will read a telegram I have just received:

NEW YORK, July 15, 1897.

Seymour Dexter, President N. Y. State Bankers' Association, Saratoga, N. Y.:

My congratulations upon the success of the year just closed. The association is stronger to-day than ever, and Group IX can always be relied upon to assist in accomplishing the



MOON'S HOTEL, SARATOGA LAKE.

great work of the future to the credit of the State and the banking fraternity everywhere.

I regret that personal matters prevent my attendance. S. G. NELSON.

THE PRESIDENT: In view of the change in the programme to accommodate the committee of arrangements, I will remind you that it will be necessary to commence our session promptly at half-past nine o'clock to-morrow morning.

Adjourned to Friday, July 16, at 9:30 A. M.

SECOND DAY'S PROCEEDINGS.

THE PRESIDENT: It is now almost thirty minutes past the time appointed to open this convention. Gentlemen will come to order. We will be led in prayer by the Rev. Dr. Joseph Carey, of Saratoga Springs.

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THE PRESIDENT: We will resume the order of the programme at the place where we left off yesterday. Therefore, first in order will be an address by Mr. A. J. Barnes, Cashier of The City Bank, Buffalo, on "Some Things the New York State Bankers' Association Might Do."

SOME THINGS THE NEW YORK STATE BANKERS' ASSOCIATION MIGHT DO—ADDRESS BY A. J. BARNES, CASHIER THE CITY BANK, BUFFALO.

Mr. President, Ladies and Gentlemen—There are, of course, many things that the New York State Bankers' Association might do. I simply appear before you to-day to try and tell you some of those things.

I think the first thing that the members of the association here assembled might do would be to move further forward and then I won't have to strain my voice so you shall hear me. Perhaps the next thing for your consideration at present would be to send greetings to the Minnesota State Bankers' Association now assembled in convention at Duluth.

Following that, you can consider the advisability of taking some action in connection with the proposed currency reform commission and the message to be sent to Congress on that subject by President McKinley. It has been stopped; he does not send it. Now, if that idea has any merit it may be worth your consideration, and if the New York State Bankers' Association will start out and not appeal as an association or as individuals, to Congress or to President McKinley, but let each individual member of this association go to the clientage of the institution you represent, and have each one of them telegraph his representative in Congress that he must see that the message is sent to Congress, you will then get the message to Congress right off, because the representatives of the people in Washington will represent the people when they are asked to do so: otherwise they can go on party lines, adopt party measures, and delay action. We might take some prompt action on that. If the association consider it advisable, or if it is important enough to have that commission formed or appointed to consider the reformation of the currency, why, have it done. You talk about it; you say it ought to be done. Make some move to get it done; go out before the people, and ask the people to help. That is the way to accomplish it. And in the work of the currency reform commission there should also be embodied the possibility of a new banking law, a banking law that will apply to all parts of the United States, and by which all the banks would be governed and do business alike. Then the people in the East will know that the banks in the West, so far as the department can control them, will be just as good as the banks they represent themselves. That will be a National Banking Act in every sense of the word and spirit. That is what the currency commission should be instructed to consider. It is an important point. Too much doubt often comes up among bankers as to whether a bank they get an item on, the bank being at some remote point, is good or not. The only reason they question that is because they do not know the methods of banking in vogue in that particular locality. It may be a State bank, and they are in doubt about it. If you knew that the same laws that govern the institution with which you are connected governed all other institutions throughout the country, you would be more at ease on that point. You could do a better business, and we could have better protection. It is a vital point and should be brought before the commission.

Another thing. It is the practice of some banks to give bonds covering deposits. In some parts of the State and in some parts of the United States bonds are given by commercial discount banks on funds deposited by Savings banks, or perhaps some corporation like, for instance, a corporation similar to the Royal Arcanum or the A. O. U. W., where their treasurer is apt to be instructed that he should have every precaution placed around his deposits, and they name the bank and look around to see if they cannot get bonds from the directors to make them practically a preferred creditor. A bank out West will telegraph East: "If upon application of John Doe or Richard Roe, attorney, you will furnish the necessary bond in a replevin suit of so and so, we will hold you harmless from any loss or damage that may arise by reason of your so doing." And that bank goes out and gets some one to go on the bond, some of its directors, for a replevin or attachment suit. That should be stopped. You have no right to put a liability upon the bank that you represent in that way either through the board of directors, or by the bank itself, because you know the bank will protect any one of the directors that go on that bond. There is a liability against that bank that no one else in the country knows anything about. Apparently it is doing a safe business, when suddenly something happens, and it is found out that somebody has been taken care of, and the bank does not pan out very well. There are companies organized for the purpose of giving such bonds, and the reason they are not used more is because the man that uses them has to pay something for doing it, and when he telegraphs to a bank there is no charge, or a nominal one, for the servicce rendered. But it is the question of the liability. That matter should be investigated thoroughly, and it should be stopped. There should be no bonds given for any money deposited, or any transaction taken part in by the bank. The liabilities of the bank should show in the bank's statement absolute and clear, so that anyone who takes the statement in hand will know that what is on that statement is all the bank has to say about its assets and liabilities. There should be nothing back of it—not the first thing of any kind. Keep it clean. This association might start right in and rectify that matter very quickly. All you need is uniform action. Have the association in its council of administration provide how it should be stopped, and there will be no bank that will hesitate to decline to perform such services, because they will know that no other bank in the State will do them. So you give the banks the protection they ask for, and it is very easily done.

The next matter that the association might consider is the best plan upon which they can get at the true inwardness of the bankruptcy law, or the attempt to bring one out. That you are going to have a bankruptcy law in this country probably no gentleman in the room doubts, or a great strong effort to have one. Now, the New York State Bankers' Association might do this: They might get up the form of that bill, have it sent out among the bankers so they can study it, and then have a delegation go before the proper people and point out the vicious or bad parts of that law, as well as commend the good parts, because there is no one more thoroughly interested in the workings of a bankruptcy law than the bankers themselves. On the other hand, there is no class of men that can more clearly tell of the workings for good or evil of a bankruptcy law than the bankers. They should have an opportunity to consider this subject, and it should be brought about by this association. They should have a clear and precise opportunity to look at that bill and have it properly presented to the people so that they may know just what it is, and then the people will help to get it. If you want a good bill they will help to get it. Go out before the people, gentlemen, with these measures. Illustrate to them, point out to them the good or the bad there is in it from a practical standpoint, honestly, earnestly, and ask them to help, and you will see what a mountain of strength you will pile up. They will help right through on those measures.

This association ought to take some action in that matter. They ought to have a bankruptcy law; if they have one they will give no unfair advantage.

In considering the bankruptcy law this fact should be brought out: that instead of having a new law, or any more laws, you might repeal some of the laws you have got now and you would accomplish better results. As it stands now, look at the vast army of men that it requires and the vast amount of money necessary to be spent to collect the violations of a contract between two parties, when perhaps neither one of them was in any way particular about how the contract was drawn, or whether the man accepting it was good for it before he accepted it or not, because he says: "If the other fellow does not fulfill the terms of the contract, I can stop him by a process of law; I am protected;" and the man that accepts the contract immediately goes to his attorney to see how he can beat him. There are two interpretations of the same law or set of laws, and it mixes things up. Perhaps you have too much law already. This association might investigate and find out whether you want some of the laws repealed or not, or whether you want a new law entirely.

The next question which this association should consider is the matter of out-of-town collections. The New York State Bankers' Association should consider the advisability of a uniform rate of exchange. I suggest that simply because there has been a great deal of talk one way and another, and good talk, for the collection of items. But, gentlemen, you have not got anything. You have only talk, that is all. Let the association do something;

and I will suggest here, for the benefit of having it brought before them in some way, that they make a uniform charge for collections throughout the State (and that every bank pledge itself to stand by it) of one-tenth of one per cent for every item foreign to the city or place where you are doing your business. Take it up, discuss it, talk it over. Consider the question, gentlemen. There is no reason why you should do business for nothing. Neither is there any reason why you should rob anybody for doing part of it. Make them all pay alike.

In connection with this subject I have heard a great deal about the express company business. It is a fact that most people who go to an express company and buy a money order go there because they have the privilege of paying for it; yet they will walk into a bank and ask it to cash a check and expect to get the money for nothing. The very fact that they go into an express office and pay for the money order adds a wonderful amount of responsibility that the express company carries back of that order. The people believe in the express money order because the company charges them for what they do, and they think it is a stronger and better institution, and that the money is more apt to be paid than in some banks where they can go and get it for nothing if they try hard enough. You cannot go into an express office and buy a letter of credit or some of their foreign cash checks to use in foreign countries or throughout the United States and deposit your money and have that money draw interest. The express company will not do that: they won't tolerate anything like that. They just simply take your money, and they keep it; they will not pay you anything for leaving the money there, and they will charge you for the service they render you. The average man is suspicious of what he gets for nothing. He knows that it is not natural, and he also knows it is not right. It is not a true and honest method of doing anything. The average man does not want something for nothing. It is only because he finds that his neighbor or somebody else can get something for nothing that he wants to be equal with him. And you only have the difficulty of the collections of out-of-town items, or for charging for what you do over your counter, simply because the bankers of the country and of this State have allowed the banking business to drop down into a competitive business to that degree that they will do these things for the sake of getting business or of attempting to get business. Gentlemen, it ought to be changed, and the New York State Bankers' Association ought to consider that matter. It ought to consider a uniform charge on collections, as a start, anyway. If any man can get out of this suggestion something better, why, the association would be only too glad to have him do it.

After you have got it all going in New York State and this association has declared for it, then have a delegation from this association attend the meetings of every State association throughout the United States and say: "Join us in this effort, help us out in this matter," and then you will have it from the Atlantic to the Pacific, as easy as turning your hand over, because they will see the wisdom of it and follow it. As you stand to-day, as you are in session, the eyes of the people of the United States are upon the New York State Bankers' Association. The laws governing the banks of the State of New York are the foundation, and in many cases the entire superstructure, of all other State bank laws throughout the other States of the Union; they have taken the New York State bank law as the foundation or starting point. Knowing that, and knowing the important position you occupy, you should act accordingly. I do not have to tell you this, you know it; yet I was going to say some things that the New York State Bankers' Association might do; you seem to forget this fact, you do not remember it, and you will use it; you go on and come to the conventions year after year and addresses are made full of merit, well written, concise, fairly loaded down with good things that ought to be in operation, but nothing is done about them; they are not brought up, not considered; no opportunity is taken to investigate. If some of the things, or all of them, it makes no difference, were brought into effect, then you could have them modified if they did not meet the requirements. But take these things up and think of them. Do not let them all go for naught. We do not come here for that purpose. We come here endeavoring to get at some truths that we need to conduct our business with, for things are wrong. That is what we have come here this time for. And before the association adjourns you might perhaps indicate in some resolution to the council of administration that you would like to have some of these things brought out so that they can be considered and put before the public, where the good or bad can be brought out of them, and then a use made of them.

Within the last two weeks there has been a radical change made in the matter of appointing bank examiners. Heretofore they have been under the civil service, and, as I understand the situation now, the Superintendent of the Banking Department has entire control of the appointment of bank examiners. Now, there is no better man probably to examine a bank than a man that has been in the banking business. There is no use going around the corner and getting a blacksmith and asking him to come in and examine your bank. He might tell you things about it that you knew before perhaps, but it would not be a satisfactory examination as to the quality, the goodness or the badness of some of your loans, or your method of doing business, and it would take but very little effort on your part so that he would not know anything about your method of doing business after he went through your bank. This association might aid Superintendent Kilburn, or any other Superintendent of the New York State Banking Department, to pick out the most efficient and best men there are in the State of New York to examine its banks, and pay them for their services. Take them from the ranks of the bankers and make them bank examiners. It is a serious question, gentlemen, the character of men who walk into your institutions with credentials and authority to turn everything upside down in your banks. The man who does this ought to be a man of good judgment and discernment. Not but what they are so to-day, but see to it that the Superintendent keeps up the average, the calibre and quality, and see to it that his appointments are even better than what we have got. There is nothing too good for us. We are entitled to the best we can get and ought to have it, and if you do not get it, do not blame anyone but yourselves, because you have it all in your hands. You can go out and talk and educate the people in these matters, and you can bring about the results, providing what you has merit and is the truth, and you know that bankers do not want anything except that, for that is what we do our business on.

Probably the most important question that the New York State Bankers' Association might consider, and something they ought to be for or against, is the payment of interest on deposits, or on any funds whatsoever deposited in their banks. There is no reason why a bank should pay interest on its deposits, and it is only brought about through this error of some bankers in making the banking business a competitive business. It is pernicious, and it is an evil that should be corrected, and the New York State Bankers' Association should correct it. It should see to it that the members of the association are not doing that kind of business. There are Savings banks that have money on deposit, and there are banks in the State that receive interest on their balances, and they are protected, first, by the law making them a preferred creditor, and next by bonds given by the banks or the board of directors. There are country, city, township and village funds deposited with banks for which bonds are given, and in most every case there is interest paid on the money. Now, that money is the money of the people. It is paid in to the representative of the people, and the very bank that he takes the money to—the man who pays his money in in taxes—goes to the bank and keeps his personal account there, and yet you do not protect him with any bond. He can get along the best way he can, after these people that are preferred creditors get what they want. What is left goes to the other depositors. Now, gentlemen, that is wrong and it is an insult to your other depositors, because it is not right; you are deceiving them; they do not know these things, and banks in one section of the State do not know to what extent the banks in another section of the State are doing just that kind of business; they do not know anything about that assumed liability. You may say, oh, it is very remote and wouldn't affect anything. If anything happens, as I said before, you find the preferred creditor has been taken care of before the crash came. It has got to be that way; it cannot be otherwise and you do not blame them—at least, I never heard any blame attached to it. Now is the time to stop it.

Last fall about election time the people of this country declared for themselves the money they wanted, and they have made a proper recognition of probably the best money that any people ever had to use in the history of the world. That only shows you that it is the best people the world ever had who made that money. They levelled up all the trouble. They got out and were willing to take the consequences. They were told what would happen if they created this movement to appreciate the money of the country—that it would depreciate the value of commodities. Well, they appreciated the money, we will say, and the value of commodities, we will say, depreciated; they have sought a level. It has come down through the entire period from 1860, the most extravagant period this country ever saw, when extension and inflation was the order of the day, when people made money because they could not help it, and in a good many cases to-day their children are spending the money for them because they cannot earn their own living. If the men were here themselves to meet the sharp competition that we have to-day they would not accumulate the fortunes they did all through those years of inflation. Everything was inflated, and we all knew it, and we all knew that the day would arrive when there would be a leveling up, when values would seek their true level, and they did. And they have created the currency, but there is a stoppage somewhere; things do not seem to move just right. You will excuse the reference but that "advance agent of prosperity" does not get his work in very fast. It is coming, however. We all know it, and we can feel it to-day better than we could a week or a month ago. It is on the upturn, but the bankers of the country have got to take this good thing that has been created and just push it along, and the best thing that you can do is not to let go of every dollar you have got and invite everybody on the street in to borrow some and go out and try to find some place to use it, but stop paying interest on your deposits, stop paying for what is brought to you to do your business with, and reap the benefit of your efforts in the conservative way of getting the use for the benefit of the legitimate earning capacity of every dollar you have got in your bank, and nothing more. Come right out and meet this question. Go out before the people in a campaign of education. Illustrate it to them. Talk to them. Show them where they are wrong. Why, there is not a gentleman in this room that ever knew what a great monster he was and had been all these years until last fall when those people got on the platform and told you how you had ruined everything. Abuse from one end of the country to another. Now, what they said was either true or false—either one thing or the other. They either told the truth, or else they lied. The people came out by a majority to say that they were going to still pin their faith to the bankers. Now, go out and show them that they made no mistake. Meet this question for them; because, gentlemen, you are the men who are looked to from all over the world to right these wrongs, to tone up the moral standard of the community, and the quality of the money and its people. We are the trusted servants of the grandest, noblest trust ever given to man, taking care not of the dollars and cents of the people that they bring to the bank, but of their credit. And the greatest ingredient in that credit and the one that needs your advice, your watchfulness and your care, is the moral standing of it. It is the moral responsibility in men that you want to look at to-day, and you know you are looking at it. But tell a man so. Do not tell him that you are figuring wholly and only upon the dollars and cents that he has got, but let him know that he has got some manhood and something to live for, and a moral responsibility in all these things. Go out and explain it to the people. Talk that to them, because as you go among the bankers you will find representing the banking interest that the protection of the credit system of any country, especially of this country, marks the highest civilization that has ever been attained. Nothing ever known in history equals it. But there are errors in it. The New York State Bankers' Association can do no better than to stop the payment of interest on money and allow the use of money to come to the people at a rate recognized as its legitimate earning capacity, because when you go beyond that, between that price and the other prices you may charge above it, the word interest has to be tacked to it, and if you do not pay interest, gentlemen, do not charge interest. You are entitled to a fair and just compensation for what you do, and you should see that you get it in a fair and honest manner.

Now is the opportunity, as I said before, to bring these matters up and to adjust them. We are facing this question to bring about all these reforms. And do not call it a reform. Call it a movement straight ahead—an advance movement, a step up higher. The result of the last election and the campaign of education is going to bring out nothing but good to all mankind in the United States.

Gentlemen, in conclusion, to illustrate the opportunity, I will read a little verse that I took out of a newspaper. It is headed "Opportunity:"

"The key of yesterday I threw away; and now late
Before to-morrow's close-locked gate, helpless I stand.
In vain to pray, in vain to sorrow;
Only the key of yesterday unlocks to-morrow."

WALTER E. FREW, of L. I. City: Mr. President, this address that we have just listened to seems to my mind to have a great deal of merit, and I would move that it be referred to the council of administration for consideration, not so much on the points brought out in it, but as a gentle hint to the council of administration that we desire them to work on some practical lines during the coming year.

J. H. DeRidder, of Saratoga, seconded the motion, which was adopted.

BRADFORD RHODES: Mr. President—We have here this morning Capt. R. J. Lowry, president of the American Bankers' Association, and I move you that he be invited to a seat on the platform.

THE PRESIDENT: That will be done without a motion. Capt. Lowry will please accept the escort of Mr. Rhodes to a seat on the platform. I would state to the association that I had a very pleasant interview with Mr. Lowry this morning, and he kindly consented to speak to us while we are in session, and we shall hear from him this afternoon.

At the suggestion of William C. Cornwell, of Buffalo, Col. James R. Branch, secretary of the American Bankers' Association, was also invited to a seat on the platform.

THE PRESIDENT: Gentlemen, I have here a telegram that you will all be interested in.

BUFFALO, N. Y., July 16, 1897.

John A. Kennedy, Secretary N. Y. State Bankers' Association, Saratoga, N. Y.

I had expected to attend bankers' convention, but do not feel well enough to leave home. I hope you may have a pleasant and profitable meeting. Present my excuses to President Dexter, and remember me to any inquiring friends. A. D. BISSELL.

Next in order is the discussion entitled, "Should there be Uniform Laws Relating to the Taxation of Banks and Trust Companies," which will be opened by Hon, Lester H. Humphrey, President Wyoming County National Bank, Warsaw.

SHOULD THERE BE UNIFORM LAWS RELATING TO THE TAXATION OF BANKS AND TRUST COMPANIES.—ADDRESS BY HON. LESTER H. HUMPHREY, PRESIDENT WYOMING COUNTY NATIONAL BANK, WARSAW.

Mr. President and Gentlemen of the New York State Bankers' Association—The question of the day in all civilized countries, which is always pressing for solution and is never really solved, is the question of taxation. The thirteen colonies which originally formed this nation, fought the battles of the Revolution and secured their independence over a principle of taxation. The stability, the existence of government is founded upon the consent of the governed—to be taxed. Two months before the last national Democratic convention assembled in Chicago, the only issue which seemed to divide the two great parties in this country was the question of the tariff. The currency question was undoubtedly a most influential factor with business men, in securing the election of McKinley, but the issue in that campaign which finally influenced the great body of our citizens in casting their ballots, was the question of how necessary revenue for the support of our Government should be raised. One cause of the unrest so apparent among the middle and the poorer classes of our people, is the belief entertained by them that the rich do not bear their proper share of the burdens of taxation; that the poor man who has all of his property invested in a house and lot or farm (often mortgaged), is taxed for the full value of that property, while his more wealthy neighbor whose money is invested in personal securities by questionable or dishonest methods manages to contribute a much less amount proportionately toward the expenses of the State.

The foundation principle laid down by Adam Smith in his writings on the subject of taxation was "that the subjects of every State ought to contribute toward the support of its government as nearly as possible in proportion to their respective abilities, that is, in proportion to the revenue which they respectively enjoy under the protection of the State." This broad principle commends itself to the mind of every fair and patriotic citizen as being both just and equitable. It is the principle embodied in the policy not only of this State, but of every State in the Union, the principle which requires the taxation of both real and personal property at its full and true value, "unless exempt by law."

In the discussion of this question of "a uniform law relating to the taxation of banks and trust companies," while we shall perhaps find the sentiment here unanimously in favor of such a law, we shall not probably find ourselves in harmony as to the best method by which that desired end can be attained. There are many good men in the banking business who honestly believe that the proper method of reaching the end sought is to relieve banks from taxation by placing them on the same footing as trust companies, rather than to attempt by legislation to increase the rate of taxation of the latter class. I do not belong to the ranks of those who favor this course. While I realize fully what the burdens of bank taxation are, taxes are always burdensome, and I believe the bankers of the State are as able to bear their proper share of the expenses of Government as are any class of our citizens. Furthermore, no law exempting the banks from taxation could stand the storm of popular criticism it would provoke. Its speedy repeal would be certain. If we are to accomplish anything in the direction of more uniform laws upon this subject, it must be done by co-operating with those who favor an increase of the taxation of trust companies, not by wasting our efforts in useless endeavors to secure admission to the ranks of the tax dodgers.

I have not been able to discover why trust companies should ever have secured the relief from taxation they are enjoying, but I am of the opinion that they were originally supposed by the public to be, like Savings banks, somewhat philanthropic in their purposes. Nothing could be further from the truth. They are corporations organized to make money for their stockholders, and they have generously carried out this purpose of their promoters. They appear to have carefully watched legislation and the State has been most lavish in the privileges granted them. They posses all of the privileges granted by law to banks, except the right to issue circulating notes, and in addition, their privileges include all of the powers granted to corporations by the general and stock corporation laws; the right to act as executors and administrators of estates; the power to take charge of the separate estates of married women; the privilege of acting as guardians, receivers or trustees of minors, and committees for lunatics, idiots and other incompetent persons; in fact the right to accept any and all trusts (to use the language of the statute) "not inconsistent with the laws of the State."

As the right to issue circulation on the basis of the present price of this Government bonds is worth only about one-half of one per cent. annually, the loss of the privilege is a slight one.

On the 1st day of July, 1896, there were thirty-nine trust companies engaged in doing business in this State, twenty of them being organized under special charters prior to 1887. At the legislative session that year a general law regulating the organization of these companies was passed, since which time no special charters have been granted. On that date—July 1, 1896—their report to the State Banking Department showed:

Capital stock	$30,400,000
Surplus fund	43,288,140
Undivided profits	5,373,643
Total	$79,061,783

Upon this capitalization of nearly eighty millions of dollars the taxes paid during the preceding year were two hundred and sixty thousand one hundred and eighty-nine dollars, or a trifle less than one third of one per cent. On the 14th day of July, 1896, the three hundred and thirty-five National banks of the State reported:

Capital stock	$85,796,540
Surplus fund	57,176,981
Undivided profits	24,489,309
Total	$167,462,830

The State banks of deposit and discount, two hundred and seventeen in number, reported on the 3d day of September, 1896:

Capital stock	$31,220,760
Surplus fund	19,942,816
Undivided profits	8,308,318
Total	$59,471,894

making the total capital, surplus and undivided profits of

National and State banks	$226,934,724
Deduct estimated exemption for debts of shareholders	26,934,724
Leaves estimated amount liable to taxation	$200,000,000

At .0214, the tax rate last year in New York city which is probably lower than the average rate which prevailed throughout the State, the taxes paid by National and State banks would be $4,280,000, or nearly 1.9 per cent. on the total capitalization of $226,934,724. At this rate $79,061,783 invested in the stock of trust companies would yield the State and municipalities where they are located $1,502,211, an increase of $1,242,022 over the amount paid by them last year.

We are all familiar with the law governing the assessment and taxation of banks. They are liable to an assessment for the full book value of their stock, less the indebtedness of individual stockholders, and any losses they can show have not been charged off.

Trust companies are taxed for State purposes upon their capital stock only, at the rate of ¼ of one mill for each 1 per cent. of dividends they declare, provided the dividend is 6 per cent. or more. If their dividends are less than 6 per cent. they pay at the rate of 1½ mills annually on each dollar of capital stock. Their surplus and undivided profits are not liable for this tax, no matter how large they may be. This provision of the law exempting their surplus and undivided profits from taxation for State purposes, is doubtless responsible in some measure for the policy which prevails among trust companies of accumulating large surplus funds. You will notice that while the capital stock of the trust companies of the State is $30,400,000, their surplus and undivided profits amount to $48,661,783. To show the assessment to which they were liable for local purposes previous to the revision of the tax laws of the State in 1896, I will give a copy of the statement made by the Fidelity Loan and Trust Company, of Buffalo, to the assessors of that city.

STATEMENT OF FIDELITY LOAN AND TRUST COMPANY, OF BUFFALO, TO ASSESSORS.

Local Tax of Trust Companies.

Trust companies are taxed for local purposes under New York revised statutes. Vol. 1, Ch. 13, title 2, page 1149, sections 1 and 2, and chapter 456 of the Laws of 1857, section 3, vol. 2, page 1.

The statute will be found in the appendix. The method of taxation is as follows: The assessors deduct from the total capital and surplus:

First. Ten per cent. of the amount of the capital. So much of the surplus as amounts to 10 per cent. of the capital being exempted.

Second. The assessed value of the company's real estate taxed separately.

Third. The amount of capital invested in non-taxable securities, which are bonds of the State and of the United States, United States notes and stocks and bonds of New York city.

The balance is assessed as the amount of capital taxable, and on it the tax is levied at the estimated rate of taxation for the locality.

Capital stock	$500,000.00
Surplus	80,128.02
Total capital and surplus	$580,128.02
Capital exempt	50,000.00
Balance	$530,128.02
Amount of capital invested in non-taxable securities is as follows, viz.:	
Amount invested in United States bonds	$520,112.50
" " " Gold coin	7,000.00
" " " Legal tenders	12,000.00
Amount exempt	$539,112.50

Chapter 456, of the laws, of 1857, was repealed by the law of 1896, so that now in place of claiming a 10 per cent. exemption on capital stock, they must purchase and hold a few more non-taxable securities.

As a member of the State Senate, I last winter introduced a bill embodying the idea suggested by the subject under discussion by us to-day. By its provisions it relieved trust companies from the organization and franchise taxes to which they are now liable, and provided for their taxation in all respects as are banks. One argument advanced by their representatives before the Senate committee on taxation and retrenchment, was that if the bill became a law they would be taxed out of existence. Let us see if there is any foundation for this claim. The official report of five of the oldest and strongest of these companies on file in the State Banking Department shows what nearly one-half of the money invested in the stock of the trust companies in this State is doing:

THE NEW YORK FINANCIAL TRUST COMPANIES.

An exhibit, showing the past progress and present condition of five of the oldest financial trust companies of New York City, based on official reports to the State Banking Department, which speaks for itself:

NAME.	*Capital.*	*Surplus Dec. 31, 1885*	*Surplus Dec. 31, 1896*	*Increase of book value on basis of $100 per share, 11 years.*	*Amount of dividends paid, incl'g additions to surplus, 11 years.*	*Dividends now paid per cent.*
Central Trust, char. in 1873	$1,000,000	$1,909,627	$6,520,890	461	$8,601,263	50
Farmers' L'n & T., " 1822	1,000,000	2,322,646	4,423,884	210	5,101,238	30
N.Y. Life Ins. & T., " 1830	1,000,000	2,055,512	2,677,786	62	3,722,274	40
Union Trust, " 1864	1,000,000	2,020,441	5,218,302	319	5,482,861	32
United States " 1853	2,000,000	5,700,558	9,822,913	206	10.492,355	40
Totals	$6,000,000	$14,008,784	$28,658,775	....	$33,449,991	....

The net earnings of the Central Trust Company of New York city last year was 96 per cent. on the par value of its stock and nearly 14 per cent. on its book value. The book value of this stock Dec. 31, 1896, was $752 per share of $100. Its earnings were so large and sure that it sold at from $1100 to $1200 in the open market. The market reports of other leading companies do not verify their claim that a fair and reasonable contribution from them toward the expenses of the State would drive them out of business:

NEW YORK STATE BANKERS' ASSOCIATION.
FISH DINNER, MOON'S HOTEL, SARATOGA LAKE.

EARNINGS OF TRUST COMPANIES.

Name.	Book value Dec. 31, 1895.	Net earnings including dividends paid 1896.	Rate of dividends now paid.	Per cent. on book value, Dec. 31, 1895.
Guaranty	216	24	10	11
Kings County	228	23	8	10
Manhattan	132	14	5	10
Metropolitan	206	15	10	16
New York Life Ins. & Tr. Co	222	29	10	11½
Title Guar. & Tr. Co	164	26	8	16

The average net profits of all of the trust companies of the State last year was ten per cent. upon the book value of their stock. The average annual net profits of the National banks of this State for the past five years have been less than five and one-half per cent. on the book value of their stock. I have not been able to secure exact figures regarding the earnings of State banks, but it is fair to assume their earnings have not been proportionately larger than those of the banks connected with the national system. Would an increase in the expenses of these trust companies by the imposition of additional taxes to the amount of one and one-half per cent. on the book value of their stock drive them out of business? Would their stockholders vote to liquidate if their net earnings were reduced to eight and one-half per cent. annually? There is not an equal amount of money invested in any business enterprise in this State, outside perhaps of a few monopolies, which for ten years can show the percentage of profits earned by these institutions. It is not with any feeling of hostility toward business rivals that the bankers of this State join with other tax-paying interests in demanding that the present tax laws of the State be amended so that the large amount of money invested in trust companies shall bear a proper, fair and just share of the expenses of the Government whose protection they enjoy. We simply demand fair play.

And now, members of the State Bankers' Association, what are you going to do about this matter? Do you believe that these companies ought to be taxed? If so, you have it in your power to tax them. The intelligent farmers of the State are thoroughly aroused on this subject now. They will heartily endorse any plan which promises to place this eighty millions of personal property on the assessment rolls. Not every member of the Legislature has a political future, but nearly everyone thinks he has. Desire for re-election is the dominating influence which most surely controls him. The power he respects most is an aroused public sentiment at home. From this time forward no candidate for the Legislature should be allowed to secure an election until he has pledged himself to vote for and use all of his influence in favor of securing the enactment of a law for the proper taxation of trust companies.

There are five hundred and fifty banks of deposit and discount in this State. Their officers are numbered among the most influential citizens of the communities where they are located. Aided by the farmers and other tax-paying interests who are only waiting to be led in this matter, we can surely secure a Legislature within a few years that will enforce our just demands. We must expect to be met by a hard fight. These people will not add one and a quarter millions of dollars annually to their tax contributions to the State without a fight; but our cause is just, and we can win.

What this association needs is a working legislative committee—not a committee made up of amiable gentlemen who will pass long harmless resolutions, look wise, and do nothing, but a committee composed of your shrewdest men, and those most familiar with political work and methods. Such a committee, receiving the moral and financial support of this body of men before me, would organize a movement in this State which would not only tax trust companies but which could not fail to be of great service in other ways to the interests we here represent.

THE PRESIDENT: Gentlemen, this paper is now open for discussion, and according to the programme remarks are not to exceed five minutes in length.

JAMES H. TRIPP, of Marathon: I would like to ask Senator Humphrey if he would suggest that the bonds held by these trust companies that are exempt from taxation should be taxed when in the hands of trust companies?

MR. HUMPHREY: Yes. Bonds in the hands of the banks are taxable, and bank stock is taxed to the shareholders. The State has just as much right to tax the shareholders of trust companies as it has to tax the shareholders of banks. I know it has been argued that this would be unconstitutional. but it has not been explained why it was constitutional that the law should tax banks under the same circumstances and not trust companies. I am very skeptical about the question of vested rights. I have heard the question urged at great length and very earnestly, but it seems to me that under existing laws wrongs are being perpetrated. and if wrong is being perpetrated under existing laws it is the duty of the Legislature to right the laws. It was with that idea that I introduced this bill. I introduced it after due deliberation, and I found at the commencement, so far as I talked with members, that the legislators were in favor of it; but when the trust companies got in their deadly work I had only one member besides myself to report on my bill favorably.

MR. TRIPP: I believe in a uniform system and that bonds which are exempt from taxation in the hands of the individual should also be exempt when they are in the hands of the bank. That is a matter of justice, I believe. I know now that the banks of the State generally are taxed more in proportion to their capital than they are in personal property, and it seems to me only just to have it equal, that the National banks which hold bonds should also hold them exempt from taxation, the same as individuals. I am sure I do not see why they should not have just the same rights as individuals to hold those securities. On the other hand, the stockholders of a National bank are taxed, and as I understand it the tax on a trust company would be placed on the company, and their stockholders not taxed. Now, if there is anything done why would it not be better to make the stock of a trust company personal property and subject to taxation the same as a National bank's stock?

MR. HUMPHREY: My opinion is that a law of that kind would not stand the storm of public criticism. A law of that kind passed the Senate and Assembly, but as soon as it struck the press and got to the people it died an untimely death. The people would demand its repeal, and it would be repealed.

MR. TRIPP: Why—not to tax the stock?

MR. HUMPHREY: But that would put us on a par with trust companies, and I am talking about putting us on a par with the trust companies.

MR. TRIPP: Mr. Humphrey cited some trust companies that had been very prosperous and which have a very large surplus, as the old-established trust companies have. But the trust companies organized now have not got so much advantage, and they could not make any such dividends. We have National banks and other banks that have stock worth more than any trust company. There is the Chemical National Bank of New York city, the par value of its stock being 100, while the salable value of it is over 4,000.

MR. HUMPHREY: Is not the stock of the Chemical Bank taxed with the individual stockholders upon its book value?

MR. TRIPP: Yes.

MR. HUMPHREY: But the stock in a trust company is not taxed upon its book value, and you will notice that I gave the book value and the percentage upon book value, and that the earnings of all the trust companies of the State upon the book value of their stock last year was over 10 per cent.

MR. TRIPP: Right there comes in my idea—to tax the stock.

THE PRESIDENT: That is what I understand Mr. Humphrey is contending for.

MR. TRIPP: Oh no, he is not.

THE PRESIDENT: He is contending for uniform taxation.

F. B. SCHENCK, of New York: I am in sympathy with Senator Humphrey, and inasmuch as he has given a great deal of time and study to this subject, I would move that he he requested to prepare a set of resolutions to be presented to us this afternoon for our action.

The motion was seconded by Mr. Rhodes, and was adopted.

THE PRESIDENT: Senator Humphrey has heard the motion, and he will please prepare a resolution accordingly. The next order upon our programme is an address by Hon. F. H. Hamlin, President of the Canandaigua National Bank, entitled "Is a Bankrupt Law Desirable ?"

IS A BANKRUPT LAW DESIRABLE ?—ADDRESS BY HON. F. H. HAMLIN, PRESIDENT CANANDAIGUA NATIONAL BANK.

Mr. President, Ladies and Gentlemen—When the council of administration requested me to present a paper on this occasion they supplied me with a title, and you will observe by reference to the programme that they adopted somewhat the Socratic idea of investigation. They say, Is a bankrupt law desirable? They do not say that it is desirable, or that it is not desirable. That philosopher went around asking questions which implied, as I understand, no opinion on his own part, but he sought to obtain information and wisdom from others. That is the way the council of administration, not wishing to declare any absolute opinion on the subject, present the case here, and I shall follow their lead. I shall give you something of the inception of the bankruptcy law. I shall give you something of its history in England and America. I shall give you some arguments for it, and some arguments against it. Then you may draw your own verdict upon the facts presented as to whether a bankruptcy law is or is not desirable.

Historically considered bankruptcy legislation had its inception about the beginning of the Christian era. Rome was then becoming the great trading nation of the world, and was about entering upon the career which ultimately brought her commercial law to a perfection which has challenged the admiration of all subsequent students of jurisprudence.

It is somewhat remarkable that in a pagan age the first bankruptcy law was induced by humanitarian reasons, while our English ancestors in a Christian era adopted similar laws from a quite different motive. But the Roman lawgiver was late in granting leniency to debtors. It was not till centuries had elapsed from the founding of the city that such legislative action became consonant with public opinion. The extreme rigor with which defaulting debtors were treated among the Latins in primitive times, is readily explained by recurring to conditions then existing. The transfer of property was no everyday occurrence. It was an exceptional and important matter in the lives of the parties, and was in the absence of writing surrounded by a great degree of ceremony to impress the transaction upon the minds of the witnesses. Take the transfer of a slave, the property most frequently subject to sale in early times. At the appointed time and place came the vendor and vendee, the former bringing his chattel, the latter his copper ingots accompanied by his assistant the *libripens* or scaleholder; with due formalities of speech and gesture, in the presence of numerous witnesses, the copper was duly weighed, the prescribed formula recited, the slave delivered, and the transaction "with the copper and the balance" was completed. The gist of the whole proceedings, it will be noticed, was the full performance both by vendor and vendee. If by any chance this was prevented it was an anomaly, and if the delinquent, after an opportunity to perform, was still in default, he was deemed a criminal; and was turned over to be the bondsman of his creditor as a compensation for the wrong committed. The condition of defaulting debtors in early Roman times is thus described by the graphic pen of Gibbon:

"After judicial proof or confession of the debt, thirty days of grace were allowed before a Roman was delivered into the power of his fellow citizen. In a private prison twelve ounces of rice were his daily food; he might be bound with a chain of fifteen pounds of weight; and his misery was thrice exposed in the market place to solicit the compassion of his friends and countrymen. At the expiration of sixty days the debt was discharged by the loss of liberty or life; the insolvent debtor was either put to death or sold into foreign slavery beyond the Tiber; but if several creditors were alike obstinate and unrelenting they might legally dismember his body and satiate their revenge by this horrid partition."

It is quite probable that these extreme measures defeated their execution long before they were repealed; and as writing became more common, and commerce expanded, and executory contracts became frequent with the systems of credit thereby evolved, more humane treatment began to be accorded to debtors. It was left to the great Julius to add to his luster as a soldier, the fame of having first granted to an insolvent relief from personal penalties on a surrender to his creditors of all his property to be equally divided between them. This was the beginning of that bankruptcy legislation which the Romans subsequently carried to the quite opposite extreme (a common experience in legislation) by allowing a debtor who would depose that he had not sufficient property to pay his debts, to keep what he had; which proved so irresistible an inducement to perjury that it reduced the whole system to an absurdity.

Some fifteen centuries after the passage of the Julian law our English ancestors, in the reign of Henry VIII, began the evolution of a bankrupt system. Many years before this, the free cities of northern Italy, profiting by the trade the crusades had brought to them, had grown opulent and powerful. The Lombard merchants and bankers had invaded England, established themselves in London, and had given a name to its great banking mart which still survives. Later the Hanseatic merchants of the North succeeded in absorbing the lion's share of the English trade. But the foreign merchant, whether Lombard or Fleming, was no great favorite with our insular fathers. They, doubtless, enjoyed the luxuries which he introduced, but they had primitive ideas of trade, and regarded the foreign merchants as legalized pirates whose aim was to drain the country of its wealth. Restraining acts and vexatious interference with his rights, doubtless, caused the foreign trader to recoup his wrongs by defrauding his English creditor as opportunity afforded; and so in the opinion of Sir Edward Coke England "fetched as well the name as the wickedness of bankrupts from foreign nations." As to the name, it was probably derived from *bankus*, a bench, and *ruptus*, broken, referring to the custom said formerly to exist in the Italian cities of breaking the benches of defaulting traders—a fact suggestive of the inquiry whether the destructive spirit of the modern broker is not to some extent, at least, inherited.

It was, doubtless, against those "who used the trade of merchandise" that the Act of Henry VIII was chiefly directed, for in the quaint diction of the time its preamble recites that "divers and sundry persons, craftily obtaining into their hands great substance of other men's goods, do suddenly flee to parts unknown, or keep their houses, not minding to pay, or restore to any of their creditors their debts and duties, but at their own will and pleasure consume the substance obtained by the credit of other men for their own pleasure and delicate living, against all reason, equity and good conscience."

The effect of this Act was that instead of proceeding against the defaulting debtor by action first and then throwing him into prison in case his body could be seized, until the judgment was satisfied, the crown attempted first to seize his goods in his absence and to distribute them among his creditors, and thereafter to punish the bankrupt in case he could be apprehended. It will be remembered that from the time of Elizabeth until quite recently English bankruptcy laws were leveled solely against traders. Upon this was based originally the distinction between a bankrupt and an insolvent; the former term was applied to the trader only, while the latter was of general application.

All these early Acts were highly penal. By the statute of 21, James I, a seat in the pillory and the loss of an ear were to be meted out as punishment to a bankrupt who was not able to show that his condition arose from casual loss for which he was in no degree responsible—the legal presumption being against him. In Scotland and France the bankrupt, who was so fortunate as to escape from imprisonment, was required to wear a distinctive garb indicative of his degradation; and a relic of this custom still survives in certain continental nations in the civil disabilities to which bankrupts are subjected.

Notwithstanding the extremely penal sanctions of the early statutes, it is quite apparent that they proved ineffectual and unsatisfactory. The absconding trader evidently either so successfully concealed or disposed of his property that very little was found to satisfy the demands of his creditors. Accordingly, in Queen Anne's time, in order to induce the debtor to appear and disclose his estate to the court, it was made a felony punishable with death for a bankrupt not to appear for examination; whereas, if he did appear and truthfully answer, an allowance out of the estate was awarded to him, and he was also discharged from all his then existing debts. It was thus that the provision for a debtor's discharge incidentally found its way into the English statutes. That no humanitarian consideration effected it, is quite apparent from the fact that imprisonment for debt was, until very recently, continued as one of the essential bulwarks of commercial credit in our mother country.

It must be understood that these proceedings were all against the debtor. The idea of voluntary bankruptcy proceedings, whereby the debtor, under any conditions, should be discharged on his own petition, was a much later development. It did not find its way into the English system until 1825, when it was engrafted on to their law; but a discharge has usually been conditioned, among other things, upon payment of at least ten shillings on the pound of the debtors' liabilities.

So, too, the extension of bankruptcy proceedings to others than traders was of very slow growth. By degrees, however, it was extended to scriveners (a kind of financial agents) then bankers, and brokers, and finally, in 1861, its application became general to all alike. The reason for this preference so long maintained in favor of the trader against the non-trader is thus defended by an eminent writer:

"If a gentleman, or one in a liberal profession, at the time of contracting his debts has a sufficient fund to pay them, the delay of payment is a species of dishonesty and a temporary injustice to his creditors; and if at such time, he has no sufficient funds, the dishonesty and injustice is the greater. He cannot therefore murmur if he suffers the punishment which he has voluntarily drawn upon himself. But in mercantile transactions the case is far different. Trade cannot be carried on without mutual credits, the contracting of debts is therefore here not only justifiable but necessary. And if by accidental calamities, as by the loss of a ship in a tempest, the failure of brother traders, or by the non-payment of persons out of trade, a merchant or trader becomes incapable of discharging his own debts, it is his misfortune and not his fault. To the misfortune, therefore, of debtors the law has given a compassionate remedy, but denies it to their faults."

During the development of the present English bankruptcy system it has undergone a multitude of changes and supposed improvements. I think, on the whole, it has been far from satisfactory, although not so unsatisfactory as to be abandoned. Lord Eldon, speaking of its practical results after it had been tried for upwards of two centuries, thus expresses his opinion:

"The abuse of the bankrupt law is a disgrace to the country, and it would be better at once to repeal all the statutes than to suffer them to be applied to such purposes; there is no mercy to the estates. Nothing is less thought of than the object of the commission. As they are frequently conducted in the country they are little better than stock in trade for the commissioners, the assignee, and the solicitors."

Since this judgment was pronounced, the British Parliament, by nearly or quite fifty remedial statutes, has undertaken to improve its bankrupt law. The statute at one time provided that the assignee should be elected by the creditors; then a dual system of two assignees was adopted; later, on the report of a select committee, an official assignee was placed in charge of the estates; but in 1869 another special committee reported that estates were being wrecked and plundered by official assignees, and advised a return to the former method of administration. Apparently each of these succeeding officials surpassed his predecessor in his ability to dissipate the bankrupt's estate on its way to the creditors; and the whole record seems to indicate an irrepressible conflict between the assignee and the creditors, with the former always successful.

By the Act of 1883, amended in 1890, Parliament undertook a thorough revision of the English law, and has undoubtedly minimized the evils that seem, to a considerable extent, inherent in the system. The new Act depends for its success upon the administration by an assignee elected by creditors, surpervised by a committee appointed by them, and controlled by an officer of the Board of Trade, there a department of the Government. Discharges are obtained with difficulty, and are usually based on the payment of a considerable percentage of the liabilities and a minute and thorough investigation into the antecedents of the debtor and his business methods. His discharge seems to be left discretionary with the court, after proof that his insolvency is not chargeable to his own neglect or recklessness. From the later reports made annually to Parliament it would appear that the new procedure is meeting with a considerable degree of success.

I have somewhat at length referred to the history of English bankruptcy legislation, for the reason that our own enactments have been largely repetitions of her statutes, and the results obtained not dissimilar to those summarized by Lord Eldon.

Our earliest essay in bankruptcy legislation occurred in the first year of the present century. Under that provision of the Federal Constitution which grants to Congress the power to establish uniform laws on the subject of bankruptcies throughout the United States, our first bankrupt law was then passed. Generally speaking, it was an adaptation of the then existing English law. and only permitted proceedings to be instituted by creditors against bankrupt merchants. The duration of the Act was by its terms limited to five years, but within three years it was wiped off the statute books by the odium of so hostile a popular sentiment, that for forty year no serious effort was made to renew it. Possibly its unpopularity was partially political, for the western and southern agriculturist was loath to accord the privilege of discharge from debt to his neighbor, the storekeeper, while he was left to respond to his full legal liabilities.

After the panic of 1837 another experiment was made, and I am inclined to think that the Act of 1840 was the first instance in modern times, of an enactment by which a debtor on his own petition could be absolutely, and almost unconditionally, discharged from just debts which he admitted were valid and binding obligations. However that may be, immense numbers of debtors took advantage of it, and while its involuntary provisions were little regarded, voluntary petitioners crowded the courts with their demands for decrees of repudiation. So great was the scandal created, and so soon was the Act discredited and condemned, that the same Congress that enacted the statute repea'ed it.

Another quarter of a century passed before the provision of the Constitution which authorizes bankruptcy legislation was again taken advantage of. In 1867 the national legislature, conceiving that after long efforts a law had been elaborated which avoided the evils charged against all prior systems of the kind, gave the country a new bankrupt law. This Act with certain amendments was upon the statute books for eleven years, and during the first ten years of its existence over a hundred thousand debtors were brought within its terms. Much was anticipated of it, and it was the expectation of its friends that they had established a permanent system that would commend itself to popular favor. But the verdict ultimately passed upon it was quite the reverse. After a fair trial, for a period long enough to fully test its virtue, an almost unanimous public condemnation swept it out of existence; and so emphatic was the verdict that for thirty years no subsequent effort to enact a national law on the subject has been successful. Memorials from boards of trade, credit associations, and other commercial organizations called for its repeal. As the result of this popular demand the repealing Act passed the Senate by a vote of thirty-seven to six, and the House by an equallly overwhelming majority.

The Act had pretty thoroughly established the verity of the English law student's definition, that a bankrupt law was a legal device for the equitable division of the bankrupt's estate between the assignee and the officers of the court.

Hon. Lyman Tremaine declared in a speech in the House of Representatives, that out of eighteen hundred cases adjudicated in the city of New Orleans only one declared a dividend.

It must be conceded, I think, that in the light of experience, the practical results of bankruptcy legislation have not on the whole proved satisfactory in the two great English-speaking nations.

And yet there is much to be said in favor of a well devised uniform bankrupt law. It purports to effect two principal objects: First, to divide the assets of an insolvent ratably and inexpensively among his creditors; second, to discharge the honest debtor. It is argued by the friends of a bankrupt law that its chief excellence lies in its prevention of all preferences, so that one creditor cannot absorb the estate of a failing debtor to the detriment of others, by which it frequently happens that some creditors are paid in full and others obtain little or nothing. To this its opponents reply that the right of a debtor to prefer a creditor is of great antiquity, and the evil lies in its abuse. That its use under certain conditions is not only justifiable but is commendable. For instance, as between an accommodation endorser, and one who uses "the trade of merchandise," it is maintained that the surety should be protected; for the reason that the former can have gained nothing from transactions with the debtor, while the latter may have made many times his loss, although it be total. Moreover, it is said, that to absolutely prevent preferences is impossible, and the general experience in the distribution of the assets of insolvent corporations is cited in proof of the assertion.

Again it is declared, with much force, that under existing conditions a uniform system of bankruptcy is essential to commercial dealings between the citizens of the different States: that the insolvent laws of the forty-five sovereign States are inharmonious and confusing, and frequently unjust; and that the provisions of the Federal Constitution practically prohibit the States from enacting efficient bankrupt laws. To this the opponents of the Act reply that the exemption laws of the several States are so widely different that uniformity is a delusion, and not likely to be obtained in any event; that the creditors of a Texas debtor, who may claim as exempt from execution a farm of two hundred acres with improvements, or five thousand dollars invested in urban property, cannot be as favorably situated as if their debtor was a resident of a more conservative eastern State; and that if the local creditor has an advantage, it was known to the distant creditor at the time the credit was extended, and he has no just ground of complaint.

But it is asserted that the leading commercial nations have all adopted and maintain bankrupt laws. This, generally speaking, is true, but there is little in the bankrupt systems of France or Germany that would be congenial to our indigenous insolvent. Bankruptcy abroad is never embarked upon as a financial speculation. A certain disgrace is attached to it and discharges are very difficult to secure. In France certain civil disabilities exist until the debtor has satisfied his creditors in full. In Germany bankruptcy arising from dealing in futures, or keeping incorrect balance-sheets, is punishable by imprisonment for a term of years. In each of these nations the Government either administers the estate or rigorously supervises it, and it is done with a rapidity and directness and at a cost unfamiliar to our judicial methods. It is said that under the Act of 1877 the maximum expense of administering an insolvent's estate in Germany, assuming assets to the amount of $6,000, was eighty dollars court expenses and twenty-three dollars attorney's fees.

As to the voluntary American bankrupt, the debtor who files his petition to secure his own discharge from just obligations, a question of ethics arises worthy of consideration by the moral philosopher. The argument generally advanced in favor of the debtor's discharge is based on supposed public policy. It presupposes always that there are thousands of energetic and honest debtors, so crushed to earth by their existing liabilities as to be utterly discouraged and demoralized, but that as soon as the incubus is removed these unfortunates will at once become active and potent creators of personal and national wealth. There may be some justification for this optimistic view of the case, but so far as my own observation goes it leads me to believe that, in general, creditors are more anxious than debtors to arrive at a fair composition, and that as a rule honest debtors have small reason to complain of the exactions of their creditors. Moreover experience seems to have demonstrated that voluntary bankrupt laws are the most demoralizing agencies yet devised by human ingenuity for the corruption of commercial honor, and to use the language of Chancellor Kent, supply "an alluring bait to dishonesty."

But conceding that preferences are, on the whole, objectionable, and that debtors without regard to antecedents ought to be discharged, and that the State laws are crude and inadequate, the question still remains whether any method has yet been discovered that will satisfactorily accomplish the desired result.

The major share of all bankruptcy laws consists of certain legal machinery, whose action should be quick, inexpensive and efficient. But history shows that three centuries of experiments have not yet entirely solved the problem. The difficulty lies in the fact that there seems to exist in the human race an innate tendency to regard a bankrupt estate as a sort of treasure-trove for which the finder should thank Heaven, and at once proceed to enjoy. Whether this tendency can be better overcome by national rather than State legislation, is a debatable question. The Act of 1867 was certainly a fruitful source of revenue to register, and assignee, and solicitor, and marshal, and clerk, and all the other exploiters of the bankrupt's estate.

It of course does not necessarily follow that because bankruptcy Acts in the past have proved of doubtful utility, and have freed many dishonest debtors from obligations that they ought to have performed, and have been used at times to the ruin of solvent debtors that otherwise might have bridged over their temporary embarrassments, that no satisfactory bankruptcy law can be perfected. Past experience, however, should render us somewhat cautious in accepting the optimistic ideas of over-sanguine legislators.

It is quite likely that another trial will soon be made, and a brief reference to what is know as the Torrey Act may not be undesirable. This proposed law has for a number of years been before Congress for consideration, and if we are to have a bankrupt law I am free to say that I believe that this Act has much to commend it. It has been committed and recommitted, and amended, and passed in one house, and side tracked in the other, and has been subjected to all the polishing and perfecting methods known to the modern legislator. It has for its sponsor a gentleman who has pressed its claims upon the country with a zeal and persistence and faith in the merit of his law, that deserve success. As compared with the law of 1867 it undoubtedly avoids some of its serious defects; it requires in ordinary cases that at least three creditors must unite in a petition against the debtor, thus preventing the Act being maliciously or unjustly used by an individual for personal ends. It provides for voluntary and involuntary proceedings and encourages compositions. It attempts to limit the expenses of administration by awarding fixed compensation instead of fees, and seeks to control discretionary allowances. But after all, under different titles, there still necessarily appear the trustee, and the referee, and the attorneys, and the clerk, and the marshal, and the stenographer, and the printer and their various coadjutors. Its weakness would seem to lie along the line of insufficient govermental supervision to check the rapacity of officials. As has been said by another *pro rata* distributions are not of much practical benefit unless there is something left to *pro rate*.

As a theory the proposed law is attractive. As a condition its realization is somewhat problematical if experience counts for anything in the affairs of men. Whether it, or any bankrupt law, would subserve the banking interests of the country is questionable, as it would contravene that unwritten law to which I have before alluded, that failing debtors should prefer their endorsers, and thus indirectly their bankers. But this is of minor importance, to be met by a revision of our discount lists.

If it shall appear to our national legislators that the business interests of the country at large will be benefited by the enactment of a bankrupt law, you, who represent the banking interests of this great commonwealth, which dominate the finances of the Western Hemisphere, and whose influence is felt throughout the circuit of the commercial world, will be the last to oppose on special grounds its enactment.

Notwithstanding a popular prejudice which seems to prevail in some parts of the country against banks and bankers, no business interest exists that demands so little of special legislation on its own behalf. The prejudice to which I have referred arises from a wholly false idea of the true relation of the banks to the community. It should be enforced upon the popular mind that the banks are simply reservoirs into which tend the idle savings of multitudes of thrifty people, and that from these reservoirs there flows through a thousand channels that stream of wealth which fertilizes and renders productive the broad field of human industry. Bankers are the agents in control of this beneficent power, and are to be commended or criticized as they perform faithfully or otherwise the great trusts committed to them. Their interests are dependent upon the common prosperity, and they can alone be successful as the community that they serve is prosperous and progressive.

The bankers of this State are not only influential and powerful business men, but they have more than once demonstrated that they are large-minded, far-sighted, patriotic citizens, ready to sacrifice personal ends for the common good, and they fully recognize the fact that their prosperity is founded on the general welfare. If a bankruptcy law or any legislation, national or State, will tend to the good of the people at large, the bankers of New York will welcome it with enthusiasm, and rejoice to see the beneficial results which may flow from it. At the same time they have infinite faith that the true basis of all progress lies in individual effort supplemented by personal and governmental integrity. All that we demand of our legislators is that they refrain from undermining the foundations of commercial life and health by disregarding those eternal principles of morality and justice which no individual or nation may violate with impunity.

THE PRESIDENT: One of the hardest combats we have to contend with in the United States on the sound money question is the question of low prices. We have invited one of the ablest men in the country to be present and discuss the question on economic grounds, and now I have the pleasure of introducing to you Prof. Jeremiah W. Jenks, of Cornell University, who will deliver an address entitled "The Cause or Causes of Low Prices at the Present Time."

(This paper is being revised by the author for exclusive publication in the September number of the MAGAZINE, and will be accompanied by an especially prepared illustrative diagram in colors.)

AFTERNOON SESSION.

THE PRESIDENT: The first paper this afternoon will be an address entitled "A Review of the Act of 1897 in Relation to Negotiable Instruments," by John J. Crawford, Esq., of the New York Bar, and the Law Editor of the BANKERS' MAGAZINE. I may say in introducing Mr. Crawford that he was employed to draft the law.

A REVIEW OF THE ACT OF 1897 IN RELATION TO NEGOTIABLE INSTRUMENTS—ADDRESS BY JOHN J. CRAWFORD.

Mr. President, Ladies and Gentlemen—When I see before me so many gentlemen whose business it is to make loans and discounts, I am reminded of the remark made by one of our State Senators when the Negotiable Instruments Law was in the Judiciary Committee of the Senate. This Senator said, that while he had not had much to do with negotiable instruments in his law practice, he had had a large personal experience with them. You, too, have had such an experience, though in a different way. In your capacity as bankers, and I have no doubt in your individual capacity as well, you belong to that part of the community which some gentlemen who have been doing a good deal of talking of late call the "creditor class;" and it has been your place, not to make negotiable instruments, but to take them. I do not apprehend, however, that you are any the less interested in them. It is usually the man who takes the instrument that is most careful about its provisions; the man who makes it is not so particular about the form, if it only brings the money. I should not be very far wrong, I think, if I were to say that the new law affects you to a greater extent than any other persons in the State. Perhaps this may suggest to you the inquiry, "why were we not consulted about it before it was submitted to the Legislature?" Well, I had nothing to do with that part of the business, and I am not authorized to speak for those who had the matter in charge; but I suspect that they felt this way about it that if an impression should get out that the banks approved the proposed law, and wanted it passed, that that might prevent it from being passed.

Your president has told you something about the origin of the law. Perhaps you will permit me to supplement what he has said on this subject. And first, let me explain more fully about the Commission on Uniformity of Laws. These commissions exist in twenty-seven States; their purpose being to secure uniformity of laws in the different States. They have a national organization, which they call a conference, and this conference meets every year at the place where the American Bar Association holds its annual meeting. At the meeting in 1895, which was held at Detroit, the committee on commercial law was directed to procure to be made a codification of the law of bills and notes; and the matter was referred to a sub-committee, consisting of Judge Lyman D. Brewster, of Connecticut; Mr. Henry C. Willcox, of New York, and Mr. Frank Bergen, of New Jersey. When my draft was completed, it was printed by the sub-committee, and copies sent to each member of the conference, and to many other lawyers, and suggestions and criticism invited. Copies were also sent to some of the judges and lawyers in England, with a similar request. In August of last year, the conference meet here at the Grand Union, and spent three days in going over the draft, section by section. Possibly you may think this is not the best place in the world to do such work; and no doubt it does require much strength of mind to keep one's attention on negotiable instruments, when one might be so much more agreeably employed. You know that by your own feelings now. But I can testify, however, that the commissioners were very attentive to their duties; for I sat with them through some very long sessions. Well, as I say, the commissioners went over the draft, section by section, and made some amendments, most of which were such changes in the existing laws as I had not felt at liberty to incorporate into the original draft. The draft was then adopted by the conference, and as so adopted it has been passed in New York, Connecticut, Colorado and Florida.

As you probably know, the law will go into effect in New York on the first day of next October; but by its terms it does not apply to any instrument made and delivered prior to its passage, that is to say, the date it became a law by the approval of the Governor, which was the 19th of May. Now, I conceive that the courts will construe these two provisions in this way: They will say that if the instrument has been delivered since the 19th of May, the statute will apply to it after the first of October, though until that time all transactions with respect to it will be governed by the present law. For example, suppose a note dated July 10, and payable four months after date, should be indorsed to you at some time before the first of October as security for the debt of some customer. That transaction would be governed by the present law, and you would not be deemed a holder for value. But suppose this negotiation should take place between the first and the tenth of October, then it would be within the statute, and you would be entitled to all the rights of such a holder. For, as I shall explain hereafter, the statute changes the law in this respect. Again, suppose you hold a demand note delivered alter May 19, on which there is an indorser. Until the first of October you may regard that as a continuing security and presentment for payment is not required in order to hold the indorser; but after the first of October, the rule of the statute will apply, that instruments payable on demand must be presented for payment within a reasonable time.

I think you will find that the title of the Act, "The Negotiable Instruments Law," is a fairly accurate one, and that the law is what its title indicates. It relates to negotiable instruments only, and no attempt is made to deal with instruments which are non-negotiable. Now you may ask why this was done, and as non-negotiable notes and drafts are in frequent use, why the law was not extended to them also? In some ways this might have been very desirable. But then you must remember that the first question to be considered was, How much is practicable? This was the first attempt to prepare a codification of the substantive law for adoption in all the States, and there was danger that in seeking to do too much, nothing at all would be accomplished. It was necessary for this very practical and important reason that the proposed law should be confined within certain well-defined limits, and the line which divides instruments that are non-negotiable from all others, afforded the most natural and obvious limitation. Besides, I think something might be said in favor of this view; that it is good policy to confine instruments of commerce to those forms which have been approved by the business world, and the fact that there is in many of the States a uniform law on the subject of instruments which are negotiable might have a tendency to discourage the use of irregular forms.

This point, that the statute is confined to negotiable instruments, is one which you must be careful to bear in mind. To determine whether an instrument is within the statute, so as to be governed by its provisions, you must first ascertain whether it is negotiable according to the terms of the statute. If it is not, then the statutory rules do not apply to it; but it is governed by the rules of the common law. Let me illustrate this: Suppose you have a customer who is indebted to you on an overdraft, or otherwise, and you take from him as security a note made to his order by some third person. Now, if that note is negotiable, you would be deemed a holder for value; for, as I have said, the statute changes the law of New York in this respect. But if the note is non-negotiable, the former rule still applies, and the maker could set up as a defense against you that the note had been diverted, or any other defense that he might have as between himself and the payee. I don't think that you will find it very difficult in the great majority of cases to determine whether the instrument is negotiable. In general, I may say that everything which was negotiable before the statute, is still negotiable, and some provisions which before were thought by some courts to destroy the character of negotiability, are declared not to have that effect.

In order to ascertain the meaning of the statute it will often be necessary for you to read one section in connection with another, or with several others. For example, you will find that by one section it is provided that a certification of a check is equivalent to an acceptance; and in order to learn what liabilities you incur by certifying, you will have to turn to those sections which prescribe the liabilities of an acceptor. Again, you will find by section 189, that protest is not required except in the case of foreign bills; and you may say, "But how do I know whether it is a foreign bill?" Section 213 will clear up the difficulty for you, for it provides that no bill is deemed to be a foreign bill, unless it appears upon its face to be such, that is to say, unless it appears upon its face to be drawn in one State and payable in another. When you meet with difficulties of this kind, you must do as the girl did about whom I read in "Life" several years ago. This girl was having a conversation with a clergyman, who said to her: "My dear young lady, it is interesting to note what a flood of light one passage of Scripture throws upon another;" and she replied: "Yes, that is quite true. Now, I never could understand how it is that in Heaven there is no marrying or giving in marriage, until I read how hard it is for a rich man to enter there." So, when you are puzzled over any section, if you will turn to some other section, possibly, it may solve the question for you quite as satisfactorily as the passage from St. Matthew solved for this young lady the mystery about matrimony in Heaven.

You will remember that the object was to prepare a law for adoption in all the Sta es. On many points, as you know, the decisions are very conflicting. The courts of one State hold directly the contrary to what is held by the courts of some other State; and those of some third State take a middle ground, and hold differently from either of the others. In such cases a choice had to be made, and the plan followed was this: that where the decisions of the State courts were conflicting, and there was a decision of the Supreme Court of the United States on the point, the rule of that court was adopted. There were two reasons for this: First, because that court is the highest court of the country; and second, because it appeared to be fair to all the States to make the highest Federal court the arbiter, and gave none any just ground of complaint. The only exception to this is the provision as to irregular indorsers, in which case neither the rule of the Supreme Court, nor the New York rule, was adopted; but the rule of the California code, which appeared to be much simpler, and to meet more nearly the requirements of business men. I don't mean to say that it is so in every instance; but you will find, I think, that in the case of all important changes which the statute makes in the law of New York, those changes are supported by decisions of the Supreme Court of the United States.

I have already mentioned the fact that the statute alters the law as respects a holder to whom an instrument is negotiated on account of an antecedent indebtedness. This is the change which lawyers will deem the most important. The statute abolishes the rule of Coddington against Bay, and adopts the rule of Swift against Tyson. I hope that statement is very intelligible to you, especially to the ladies who are present. Perhaps, however, you will permit me to explain a little more fully. You know that in this State an antecedent indebtedness has never been regarded as a valuable consideration, so as to protect the holder against latent equities. This rule was promulgated by Chancellor Kent in Coddington against Bay, which is the leading New York case on the subject. In the Supreme Court of the United States, Justice Story, in the other case I have mentioned, Swift against Tyson, delivered a very elaborate opinion in which he disapproved of the view of Chancellor Kent: and so there has been on this point a sharp conflict between the decisions of the Federal courts and those of the New York courts down to the present day. The rule of the Supreme Court was adopted in this instance, as in others, in accordance with the general plan of which I have spoken. And I think you will agree that it is the better rule in business. If some bank is indebted to you on an overdraft, and remits bills receivable to secure that indebtedness, ought you not to be protected to the same extent as if you had re-discounted them? Indeed, the New York courts have made many fine distinctions to escape from the rule of Coddington against Bay; and it would be impossible to reconcile all the New York cases on the subject. There are some lawyers, no doubt, who will lament that all the subtle learning on the subject should become obsolete; but I do not imagine that this will greatly distress you or any other part of the business community.

I have also referred to a change made in the law as to notes payable on demand. You will remember that it has been the law in this State for many years that a demand note is a continuing security, on which an indorser remains liable until an actual demand, and that the holder is not chargeable with neglect to make such demand within any particular time. But the Negotiable Instruments Law requires that such demand shall be made within a reasonable time. If, therefore, any of you are carrying such notes delivered since May 19, and which are indorsed, you should see that they are presented for payment within a reasonable time after the first of October, or you should get a waiver of presentment from the indorsers.

Another change which the statute makes is in respect to the amount which a holder in due course may recover of the maker, where the title of the party negotiating it to him was defective. Formerly, in this State, he could recover only what he paid for the instrument, but the statute adopts the rule of the Supreme Court of the United States, that he is entitled to enforce the instrument for its full face value, though he may have paid less for it.

I recall that several years ago the bankers of this State were much interested in the question of restrictive indorsements, and possibly you may have some curiosity to know how the matter is affected by the statute. You will find that by Sections 115 and 116, every indorser who indorses without qualification, that is, does not limit his liability by adding the words "without recourse" or other words of similar import, warrants, among other things, "that the instrument is genuine, and in all respects what it purports to be." The provision is very general. The words are "every indorser," and no exception is made in favor of those to whom the instrument has been indorsed restrictively, as, for example, "for collection," and I conceive that the effect is to make them warrantors the same as in any other case. Thus, suppose that a check is indorsed to Bank A for collection, and that Bank A indorses the same, and remits it to Bank B. In such case the indorsement of Bank A is a warranty that the check is in all respects what it purports to be, and if it has been raised, Bank A would be liable for a breach of the warranty. Of course, this rule will not help you in the matter of the exchanges paid through the clearing-house; because it applies only to indorsers; and where the bank to which you have paid a check or draft has not indorsed it, the rule remains as before; and you will still have to provide for such cases by some by-law or regulation of the clearing-house.

The matters I have referred to are the only important changes which the statute has made in the law of this State. There are a few minor changes, but I need not mention them here. In the main, you will find the statute to be merely a compendious statement of the law as it has hitherto existed in this State. But let me interpose here one word of caution. As cases arise with you, you must not rely upon your previous knowledge of the law, or upon what you find in the text books on bills and notes, but you must consult the statute itself: for that, and that only, will be the law.

When I received the invitation of your President to deliver an address at this meeting on the subject of the Negotiable Instruments Law, I felt I had this advantage over all the other speakers—that I should not have to fall back upon myself for any ideas; that if necessary I need only crib from the decisions of the courts; and, as a last resort, might even read the statute to you. Had I done this, you might not have felt about it as the Irishman did about the constitution. This particular Irishman I have in mind was an applicant for admission to citizenship; and when he was asked the customary questions he betrayed the not unusual ignorance of persons in his situation as to the provisions of the constitution, and the judge turned to an Irish lawyer in the court room and said: "Take this man into another room and explain to him what the constitution is." They returned in about half an hour: and when the judge inquired if the applicant understood something of the constitution, the lawyer said: "Yis, yer honor, I've rid it all to him, and he's hoighly plased wid' it."

Now, I cannot expect that you will approve of the Negotiable Instruments Law quite as heartily and emphatically as the Irishman approved of the Federal Constitution; but I hope at least that it will be acceptable to you. But what I meant to say when my Irish friend came into my mind was this—that it would require no unusual fertility of ideas to make a very elaborate address on the subject assigned to me, and if I were to go into it exhaustively, I should keep you here, or to speak more accurately, I should be talking here, for a long time. I am mindful, however, that I am the last speaker of the session, and that you have some important business to attend to, and I shall detain you for but one word more.

Your president has told you of my connection with this statute, and very naturally, as you may infer, I am somewhat interested in it. And I also feel a sense of responsibility for it: not only for the statute itself, but for the effect that its success or failure may have upon the work of the Commissioners on Uniformity of Laws. They have made this the test; and if it is successful, they will follow it up with similar statutes on other branches of the law. You form a most influential part of the business community. The statute affects you perhaps more than any other class; and your judgment upon it will have great weight. I will assume then to speak on behalf of the Commissioners on Uniformity of Laws and ask that you give it a fair and an impartial trial.

THE PRESIDENT: The next and last matter upon the programme in the way of addresses is a discussion, "What National Legislation is Required to Improve the Business of the Country?" This discussion will be opened by Hon. Stephen M. Griswold, President Union Bank, Brooklyn:

WHAT NATIONAL LEGISLATION IS REQUIRED TO IMPROVE THE BUSINESS OF THE COUNTRY—ADDRESS OF STEPHEN M. GRISWOLD.

It is within the province of this association to criticize and discuss any and all questions of public policy, especially when they relate to the commercial condition of the country. In fact, there is no class of citizens who are so well able to do this as the men who manage our financial institutions. They are more in touch with the people and understand what they need far better than the average legislator, for his action is largely governed by political consideration.

The past four years has been a period of great trial and strain upon the business community, and I hold that politics has been mainly responsible for this. We have too much legislation, too much politics and too much changing of laws for the purpose of party advantage, to admit of long commercial prosperity at any one time. This must change—relief must come rapidly; the country can bear no further depression. The business interests, weakened by the long fight against adversity, cannot stand another attack.

I take the liberty of offering some practical suggestions upon the question before us and for the consideration of this convention.

In the first place, no great change will come unless it comes from the people. Let us send men to Congress who will not spend most of their time looking after patronage for their friends, or confining their efforts to those measures which affect only their constituents, but men who are large enough and patriotic enough to legislate for the people of the whole nation.

The three great questions which stand in the way of business prosperity are the tariff, the currency and the labor questions. In regard to the first I would appoint a tariff commission of the United States, and pass a law that a revision of the tariff should not take place oftener than once in ten years. A final settlement of the currency question would take place if Congress would pass a law establishing some safe and well-guarded system of National bank note circulation broader or more elastic than the expediency or make-shift currency which we now have.

I would suggest that the labor question troubles could be satisfactorily settled by a national tribunal or commission appointed by the President of the United States with the advice and consent of the Senate, to whom all labor disputes should be referred.

With the settlement of these three questions the revival of industry is near, the future is full of hope, and there is nothing in the way of making this the grandest, the most powerful and the richest nation of the world.

Let us hope that the honesty and patriotism of the American people, the purification of politics, and the blessing of God, will hasten the return of prosperity to us.

THE PRESIDENT: This completes the printed order of our programme. We are very happy in having with us this afternoon the President of the American Bankers' Association, Captain Robert J. Lowry, whom I now have the honor of introducing to you.

ADDRESS OF CAPT. ROBERT J. LOWRY.

Mr. President, Gentlemen of the New York State Bankers' Association and Ladies—I have come some 1,200 miles from the Empire State of the South to the great Empire State of our great country to attend this convention of the bankers of New York State.

It is very pleasant to be here, and I assure you when I received the invitation some time ago I was very much afraid I would not be able to attend, and sent my regrets. Later, I found that I could spend one day with you, and I want the secretary to understand that I retract those regrets, and only regret that I did not get here yesterday, and I especially desire to have my name put on the roll as being present on this occasion.

It has been my pleasure to attend bankers' associations all over the country for several years. I have seen the great good they have done in bringing us together, to talk freely over matters that interest us. It has been a much-needed factor in doing away with jealousies and differences that are readily disposed of in meetings of this kind. I know in the last year I attended a meeting of bankers in a city where very few knew one another; they had never met socially and not often otherwise. They sat down at a banquet, talked together, passed a social hour, ate considerable, and, of course, drank a little; they came very much closer together; their business was of a common interest, and the thought of this bank or that bank proselyting their customers was, in a great measure, done away with. They found that they were all pulling to the same end; and the fact is, there is not much difference between us when we come together and discuss all matters freely and fully that are to our common interest.

Now again, about bankers' associations. I think every banker in his State ought to belong to the local organization; they can do much towards shaping good laws—not good laws for us, but good laws for the people. All we want is to stand before the law like other people. When you belong to the State organization, then don't forget to join the national organization. This American Bankers' Association is doing so much good in so many ways for the good of the bankers of America and deserves their support. The fact is, we will have to offer a premium after awhile for a forger or burglar, as we have about rid the country of those who depredate upon members of our association. Scarcely one of the banks of this association has any trouble in this way now; under our detective department we have rid the country of them. Sometimes we hear of their practice in this line on bankers that are not members, hence the importance of all banks joining and becoming members of our association. The authorities now, both Federal and State, are seeking our advice and consulting with us about proposed laws as to currency and financial affairs generally. We are a coming power for good. Now, this thing of sitting back because we are bankers and saying the Legislature is not going to pass this or that law because banks and bankers are advocating it, is all bosh. We do not want anything but what is right. This is what we demand, and this is what we are going to have, not only in New York and Georgia, but in every State of the Union; good wholesome laws that operate on all alike are what we bankers want—nothing more, nothing less.

At a meeting in Indiana a few months ago of the Monetary Convention, we found several members of the Congressional Finance Committee in attendance; the chairman was there. He acknowledged in a speech that the first thing the average member did when he reached Congress, on his arrival in Washington, was to lay his plans to be re-elected—and that he believed we would had have an acceptable law as to our finances long since but for this reason, and the further reason that it was thought unpopular to pass any law that seemingly did justice even to bankers and other corporations.

The present outlook for the country is bright; prosperity is coming. It is coming in a way that it should come, slowly but surely. Confidence is now being restored. No man can deny this who keeps his eyes open, and who is abreast of the times. Now, in that part of the country that I hail from, we have the best crops that have been known for a long time, and our principal crop—cotton—is that which brings the money as soon as it is ready for the market. The general crops all over the country are reported good, and allow me to add further: there has been so much talk of hard times and close money and some people have gotten so in the habit of talking this way, they cannot at once get over it; but the tune is now being changed.

Some of our friends say that these associations amount to nothing, that we meet and frolic and do no perceptible good. This I deny emphatically. As proof of it take the good that is being done by associations in having uniform laws passed and getting repealed useless ones that are of no good at the present time. Even granting that the meetings are only for fun and frolic, this is necessary for our lives. Isn't it good to frolic and get away sometimes from cares, thinking about bad debts, counting our money and many other troubles with which the banker has to contend.

I noticed in the programme of yesterday's proceedings that the good people of Saratoga gave you a fish dinner at the Lake, which I think is very appropriate, as it is generally believed that fish is a great panacea for an over-worked brain and strengthens its activity. I know something of these fish dinners, and I regret very much I was not present to enjoy it with you. Speaking of fish dinners reminds me that just as I came in the hall I asked a gentleman where I could get some water (knowing that the best water in the world was to be had at Saratoga). He told me he had been here three days and had not tasted it; so I took his advice and drank what he did.

Mr. President and gentlemen, I came more to listen and to learn than to talk myself. I wish to say that I have been very much interested in what I have heard, and I do not believe there is anything more certain than these truthful sayings, that in "union there is strength" and in "organization there is power." Now, let the bankers of this country organize, and we will say to our law-making people, if you do not make good laws, not for us but for all, we will never send you back to represent us again. Let us present a solid front and be not afraid to demand our rights under the law as every other avocation in life is entitled to. We are the custodians of the people's money, we have a mutual interest; and when the people look at it as they should and will, we do not fear the verdict, for we all want the same thing: good wholesome laws, uniform and to operate on all alike.

Really, as you have no doubt discovered, I am not much of a speechmaker. A lady asked me this afternoon if I was going to make a speech. I told her "No, unless she would let me make a speech there to her." I thought I could do that better than attempt to make a speech here, and I know you will agree with me.

Mr. President and gentlemen of the New York State Bankers' Association, I thank you again for the pleasure you have given me in being present on this occasion.

THE PRESIDENT: Reports from committees is the next order of business, and under this head I call for a report from the special committee appointed yesterday, of which Mr. Cannon is chairman.

REPORT OF SPECIAL COMMITTEE.

JAMES G. CANNON: Mr. President and Gentlemen—The Executive Council of the New York State Bankers' Association in 1896 passed a resolution and appointed a committee to investigate the advisability of a union of all the State banking associations of the United States. That committee, after correspondence with the various State organizations, reported that such a union was highly advisable. The committee also appeared by appointment before the Executive Council of the American Bankers' Association and were given assurances that certain changes were likely to be made in the method of electing members of the Executive Council of that body, whereby the State associations would have representation in the council.

In consequence of these assurances, no further action was taken looking to the formation of a separate organization. In view of the correspondence by this committee, the matter of organization of a Bankers' Association constituted as a delegated body was taken up by a large number of other State associations, but on account of the assurances given to the committee by the Executive Council of the American Bankers' Association, the subject was not pressed further in 1896. The Iowa State Bankers' Association, at its last meeting, passed resolutions asking the co-operation of this and other State associations looking towards a permanent organization.

Your committee believes, however, that it is not advisable to take steps at this time to form such an organization, in view of the fact that the following change in the constitution of the American Bankers' Association has been proposed and will be submitted at the annual meeting to be held in Detroit. (Amend Art. III, Sec. 1 to read as follows):

"The administration of the affairs of the association shall be vested in the president and first vice-president of this association, and one vice-president for each State or Territory which may be represented in this association, and in an executive council, who shall be elected at the annual meeting, and who shall serve until their successors are chosen or appointed. The executive council shall be composed of thirty members, divided into three classes, one-third of whom shall be elected annually. Commencing with the convention of 1896, three members of the executive council shall be chosen from the delegates from the several State Associations of banks and bankers, five in 1897, five in 1898, five in 1899, and thereafter the successors of these three latter groups annually. The president, first vice-president, and treasurer shall also be members *ex-officio*; but no president, nor vice-president, nor retiring member of the executive council shall be eligible for re-election for the period of one year after the expiration of his term of office."

You will notice by this change in the constitution, that the delegates of the various State associations, according to this amendment, are given increased representation in the executive council, and if the amendment referred to is adopted, within a period of two years one-half of the executive council of the American Bankers' Association will be composed of delegates from the State Associations, and the other fifteen members of that body will be elected from the American Bankers' Association proper.

Your committee, therefore, begs to offer the following resolution:

Resolved, That the nine delegates from the New York State Bankers' Association, to the 23d Annual Convention of the American Bankers' Association, to be held at Detroit, be instructed to vote and favor the amendment to the constitution which has been submitted to that body, providing for a larger representation of the State Bankers' Association in the executive council of the American Bankers' Association.

On motion of James H. Tripp, of Marathon, seconded by Charles Adsit, of Hornellsville, the report was adopted.

THE PRESIDENT: Is the committee on resolutions ready to report?

REPORT OF COMMITTEE ON RESOLUTIONS.

WILLIAM C. CORNWELL: The committee on resolutions, at the request of President Dexter, took up for consideration the question of adoption by the association of some resolutions on the subject of sound money, and, after deliberate consideration of the subject, the following resolution is hereby recommended to the association for adoption:

Whereas, our Government paper money offers a constant embarrassment to the Treasury, threatening from time to time a safe balance for gold redemption; and

Whereas, We believe it necessary that a system should be devised to correct these defective arrangements which should long ago have been displaced by sound provisions; therefore be it

Resolved, That it is the settled conviction of the members of this convention that all doubt as to our currency should be removed.

Currency is the basis of all business transactions, and unless this basis is sure and unvarying, trade and commerce cannot thrive nor prosperity be assured.

We are consequently in favor of the prompt removal of all existing causes of distrust as to the stability of our currency, and urgently request of our legislators such action as will accomplish this end.

We recommend retirement of all Government paper and that a safe bank currency under Government supervision be substituted. The preliminaries of such action should be prepared on sound economic lines by a commission selected for their eminent qualifications to formulate a plan to be submitted for the consideration of Congress.

Suitable action by our legislators on these lines will encourage trade to flow in its natural channels, the great resources of our country to be developed, and the comfort and cheer which follow upon healthy commercial activity, and which are the birthright of our people, to be speedily restored.

In this expression we speak for the thousands of business men with whose wishes and conclusions we are familiar, by reason of daily intercourse.

We speak also for the great multitude of workers who feel the pressure of hard times in the United States; hard times which are prolonged by inaction in the reform of the currency, and unnecessary because simple changes in our laws, which would immediately remedy our conditions, are not brought about; thus forcing upon our population the evils of a currency created for the exigencies of war but concededly a menace to stability in times of peace,—while other less favored nations are to-day reaping the rewards of a solid prosperity.

We accordingly earnestly demand action on the currency question and solemnly warn our countrymen that safe conditions connot possibly prevail without it.

C. F. Van Inwegen, of Port Jervis, moved that the report be received and the resolution adopted as expressing the views of the association. The motion was seconded by Geo. B. Sloan, of Oswego, and was adopted.

On motion of H. Bernard Coombe, seconded by Bradford Rhodes, the secretary was directed to send a copy of this resolution to the President, the members of the Cabinet, and to the members of Congress.

THE PRESIDENT: Has the committee anything further to report?

FURTHER REPORT OF THE COMMITTEE ON RESOLUTIONS.

WILLIAM C. CORNWELL: The following subjects were referred to the committee: A letter from the People's Bank, of Johnstown, N. Y., relative to legislation on the subject of bankers being allowed to produce in court certified extracts of their book. This was, on motion, duly received, and referred to the council of administration, with power.

A letter of F. B. Schenck, chairman of Group IX, relative to applications for membership in the association of bankers and brokers, was upon motion referred to the council of administration, with power.

A letter from the Chamber of Commerce, of Nashville, Tenn., in reference to the exposition now being held in Nashville, was, upon motion, referred to the incoming secretary of this association for proper acknowledgment expressing the thanks of the association for the courtesy extended and our cordial approval of the exposition.

Relative to the resolution regarding the paper read by Mr. Lyford, the committee recommends the consideration by the council of administration of the following resolution respecting the faults and dangers of the designs of notes now in circulation:

Whereas, the New York State Bankers' Association in convention assembled recognizes the faults and dangers of the present system of issuing a large number of designs of notes for circulation;

Resolved, That the president of the association be and is hereby directed to forward to the Secretary of the Treasury a request that the subject be thoroughly investigated by him and such changes be made as will tend to correct all of the objections to the methods now in use; also that a copy of Mr. Lyford's paper be forwarded to the Secretary.

On motion of W. I. Taber, seconded by Wm. Kemp, the report was accepted and the resolutions adopted.

DAVID CROMWELL, of White Plains: I have a resolution to offer in line with the resolution offered by Mr. Cannon, which I will read:

Resolved, That the delegates from the New York State Bankers' Association to the twenty-third annual convention of the American Bankers' Association, to be held at Detroit, be instructed to favor the amendment to the constitution of the American Bankers' Association submitted by a member of this association, providing that in the nomination of officers the roll of States be called for such nominations.

The resolution was seconded by Peter J. Elting and was adopted.

THE PRESIDENT: Report from the committee on by-laws.

BRADFORD RHODES: On behalf of the committee on by-laws I will ask the secretary to read the report, as he is the framer of the amendments and can explain them better than I can.

REPORT OF THE COMMITTEE ON BY-LAWS.

THE SECRETARY: (Reading) By-laws, Section 1. The annual dues of this association shall be ten dollars ($10) for banks having a capital of $200,000 or less; $15 for banks from $200,000 to $500,000; $20 for banks with a capital of over $500,000 until otherwise ordered. Any application by a private banker for membership shall be first approved by two members of the group he desires to join and passed upon by the executive committee of that group.

Sec. 2. The annual dues of this association shall be considered due on the first day of October of each year in advance.

Sec. 3. It shall be the duty of each member of this association to notify the chairman of the council of administration of any fraud or crime practiced on any bank or banking firm that will be of general interest, and the chairman shall immediately notify each member of the association.

Sec. 4. The annual meeting shall be held at such time and places as shall be determined by the association, which may be changed by the council of administration for good reasons.

Sec. 5. Any member desiring to withdraw from the association must give notice in writing to the chairman of the executive committee of the group of which he is a member at least three months in advance.

Sec. 6. The association shall be composed of eight groups, consisting of members of the association, geographically divided as follows:

Group I. Consisting of the counties of Niagara, Erie, Chautauqua, Orleans, Genesee, Wyoming and Cattaragus.

Group II. Consisting of the counties of Monroe, Livingston, Wayne, Ontario, Yates and Seneca.

Group III. Consisting of the counties of Steuben, Chemung, Tioga, Tompkins, Broome, Schuyler, Allegany and the Juliand Bank of Greene, N. Y.

Group IV. Consisting of the counties of Cortland, Cayuga, Onondaga, Oswego, Jefferson, Madison, St. Lawrence, Oneida, Delaware, Chenango and the following banks: Herkimer Bank, Herkimer, Herkimer County; Farmers & Mechanics' Bank, Fort Plain, Montgomery County.

Group V. Consisting of the counties of Franklin, Clinton, Essex, Warren, Saratoga, Washington, Schoharie, Albany, Greene, Rensselaer, Columbia, Schenectady, Otsego, Fulton and Montgomery and the following banks: First National Bank, Bainbridge, Chenango County; Little Falls National Bank, Little Falls, Herkimer County; First National Bank, Franklin, Delaware County; First National Bank, Oxford, Chenango County.

Group VI. Consisting of the counties of Ulster, Sullivan, Orange, Duchess, Putnam, Rockland and Westchester.

Group VII. Consisting of the counties of Kings, Queens and Suffolk.

Group VIII. Consisting of New York County and Richmond County.

Banks or bankers joining the association shall select the group with which they desire to associate.

Members from one group may be transferred into another upon application of the chairman of the group to which they belong and the approval of the chairman of the group to which they desire to be transferred. Notice of such transfer shall be filed with the secretary and treasurer of the association.

Sec. 7. Each group shall hold at least two meetings each year, and may hold four, at such times and places as each group may determine; provided, however, that one of such meetings, to be called the annual meeting, shall be held not later than December 1. Unless otherwise arranged, the meetings shall be held as follows: Group I, at Buffalo, Group II, at Rochester, Group III, at Elmira, Group IV, at Syracuse, Group V, at Albany, or Troy, Group VI, at Poughkeepsie, or New York, Group VII, at Brooklyn, Group VIII, at New York.

Each group shall elect at its annual meeting a chairman, an executive committee, consisting of five members, a secretary and a treasurer.

Sec. 8. The council of administration shall meet at least twice a year or oftener, subject to the call of the chair. One of such meetings to be held after the annual meetings of the groups, and not later than January 1.

Sec. 9. These by-laws may be amended or altered at any regular meeting of this association by a vote of two-thirds of the members present.

JAMES G. CANNON, of New York: Will you allow me to make a suggestion of a change in the by-laws? I would not mention the names of the banks—just mention the names of the various towns.

THE SECRETARY: But a bank may desire to join some other group. For instance, Utica is divided, but I have taken the liberty of putting it in one group; still they are divided in their request to me. Now if they are not satisfied under this arrangement they can change it. I think you better leave it as it is.

MR. CANNON: I would move as an amendment that the name of the town be mentioned and not the name of any bank as being a member of any one group.

THE PRESIDENT: The amendment would not be in order just at this moment. What is the pleasure of the convention in reference to this report.

GEORGE B. SLOAN, of Oswego: I assume in the absence of any explanation by any delegate on the floor that this report is intended to embrace some proposed amendments to the by-laws, but from hearing the report read I am left a little in the dark about it, and in order to vote intelligently on the question I think it might be well to have a little information as to what part of the by-laws embrace amendments.

THE PRESIDENT: Will the secretary give the information asked for?

THE SECRETARY: The changes are as follows: Old Group VI becomes Group V, and Group IX becomes Group VIII. The Juliand Bank of Greene is transferred to Group III. The First National Bank of Oxford is put in Group IV. The National Bank of Waterville the First National, the Second National, and A. D. Mather & Company's Bank of Utica: the Ogdensburg Bank. Chenango National and the National Bank of Norwich; the Herkimer Bank; the Bank of Gouverneur; the People's Bank of Potsdam: Farmers and Mechanics' of Fort Plain; First National of Canton: First National of Walton; First National of Earlville; First National of Camden and the Farmers' National of Rome are also put in Group IV. The Delaware National of Delhi; First National of Bainbridge; Manufacturers and Merchants' and the Fulton County National of Gloversville; the Johnstown Bank and the People's Bank of Johnstown; the Northville Bank; the Little Falls National; the Farmers' National of Amsterdam; the First National and the Second National of Cooperstown; the Wilber National of Oneonta; the First National of Franklin; the National Central of Cherry Valley; the Utica City National of Utica; the First National of Morris; the Schenevus National of Schenevus and the Canajoharie National of Canajoharie have all been transferred to the present Group V. That absorbs all the groups, and that is one change in the by-laws.

The next change in the by-laws is that the groups shall have a secretary and a treasurer. We have simply added the words "and a treasurer." That was done because it seemed to be too much work upon the secretary of the group. So we decided to have a treasurer to attend to the treasurer's part of the work.

The next change proposed was that banks or bankers joining the association shall select the group with which they desire to associate. That is a new by-law. It may be that some bank in one town would want to belong to one group and another bank in another group might want to change, and so we have made this by-law in order that a bank shall state at the time they join the association what group they desire to be associated with.

"Members from one group may be transferred into another upon application of the executive committee"—it used to read—"and the approval of the executive committee of the group to which they desire to be transferred." We have changed that, and we say that:

"Members from one group may be transferred upon application of the chairman of the group to which they belong and the approval of the chairman of the group to which they desire to be transferred."

We did that to simplify matters, because it sometimes took a great deal of time to get the signatures of the various members of the executive committee.

We also added this:

"Notice of such transfer shall be filed with the treasurer and secretary of the association."

The next change is:

"No person shall hold the same office for two successive years." That means a group office. Then the order of business is the same, with this exception. Before it said "Report of the council of administration." Now we say: "Report of the chairmen of groups."

GEORGE B. SLOAN: I take it that the proposed change in relation to limiting the term of holding office by officers relates entirely to officers of the groups?

THE SECRETARY: Yes, sir.

MR. SLOAN: Because we already have a similar provision applying to officers of the association. If it is the intention to have it apply to group officers, I would suggest whether it would not be better to say, instead of no person, no officer of any group, because there are already restrictive provisions in reference to officers of the association. I think that would make it more definite.

JAMES G. CANNON: I think that is a good suggestion.

THE SECRETARY: On behalf of the committee I will make that change.

ANTHONY LAMB: I would like to inquire why the time for holding the annual meetings of the groups was not designated as in September. Wouldn't it be well that there should be some definite time stated, or some month at least, in which the groups should hold their annual meetings?

THE SECRETARY: I think the intention is to leave it pretty much with the groups to do as they desire in that matter.

MR. LAMB: As I understand it there is a meeting of the council of administration to be held soon after the annual meetings of the groups, and not later than January first, and it would seem to me that something more definite in regard to the holding of the annual meetings would be desirable.

F. B. SCHENCK, of New York: The previous by-law states that the annual meetings of the groups shall be held prior to September first.

THE SECRETARY: This says that each group shall elect at its annual meeting.

THE PRESIDENT: Gentlemen, what is your pleasure with reference to this report?

MR. SLOAN: I want to disavow any desire to be critical in the matter, and I assume of course that this committee has examined the constitution of the association and that these changes of groups by the adoption of amended by-laws are not in violation of our organic law. I have not looked at the constitution lately, but if the committee have considered that, why, their word is all I want in order to vote to sustain the report of the committee.

THE PRESIDENT: Is there any further discussion of this report?

MR. CANNON: I move that the names of the banks mentioned there be stricken out, and the names of the towns in which they are located be substituted in their stead.

THE PRESIDENT: Is that motion seconded?

JOHN B. DUTCHER, of Pawling: I would like to know if that would not compel all the banks, for instance, in the city of Utica to join one group whether they wanted to or not. As I understand it, some of the banks there desire to join one group and some another. You know it is pretty hard to force people to do what they do not want to do, as I have found out in the course of my life. People are generally stubborn about those things, and I never could force a man to do what he did not want to do.

MR. CANNON: If you cannot do it there is no use in our trying. I withdraw the motion.

MR. DUTCHER: I am much obliged to you.

F. B. SCHENCK: I now move the adoption of the report, with the amendments as made to the by-laws.

THE PRESIDENT: As it now stands, gentlemen, you could not re-elect a single member of the executive committee in a group, and you will find difficulty in some of the smaller groups in getting a new set of officers each year. I would suggest that the amendment ought to apply only to the first three officers of a group.

MR. SCHENCK: I think the suggestion that the chair makes is a good one, that the restriction shall apply only to the chairman of the group, the secretary and treasurer. Make it read. "Group officers, other than members of the executive committee, shall not hold office for more than two years."

THE PRESIDENT: There has been some conflict as to the interpretation of the by-laws heretofore, and as we are amending them now we ought to remove all doubt. In some of the groups it was thought that the executive committee should consist of five members independent of the secretary and chairman, while in other groups the chairman and the secretary were included in the five.

THE SECRETARY: The by-law reads in this way:

"No officer of a group shall hold the office for two successive years."

MR. DUTCHER: I would like to know what the by-law was previously?

THE SECRETARY: There was no by-law on that subject. That is a new by-law.

MR. DUTCHER: Well, what objection is there to a group electing the same chairman or the same secretary if they want to do so? I cannot see any serious objection to it unless all the members of the group are candidates for office. So far as my group is concerned I can say that I would not accept any office; I haven't time to give to it, and doubtless in other groups there are men similarly situated. Besides, in every group there is doubtless some one man who is better qualified to act as chairman or as secretary, and who will devote more time and give greater attention to the work, than any other man in the group. So why not leave it with the groups themselves to determine what they want to do in that respect?

THE SECRETARY: Do you move that this be eliminated?

MR. DUTCHER: I do not make any motion. I only state my individual opinion.

THE SECRETARY: Well, your opinion is right.

MR. DUTCHER: Then I make the motion.

THE PRESIDENT: It is moved that the provision, as reported by the committee which prohibits the re-election, if a group sees proper to re-elect the group officers for a second or a third term, shall be stricken out. Is that seconded?

D. A. AVERY, of Utica: I second it.

F. H. HAMLIN, of Canandaigua: I am opposed to the motion. I do not put it on personal grounds as chairman of a group, but it seems to me desirable not to have the group officers succeed themselves. When you elect a man the second time it gets to be a matter of a little bias and he may have a little feeling if he is not re-elected the third time. I think it is better to have new officers and prohibit their having a second term.

MR. SCHENCK: We have just voted on the recommendation to Mr. Cannon's committee that we shall require of the American Bankers' Association that the officers shall not hold office more than one year, and it is in the constitution that the president of this association shall not hold office more than one year. Why not be consistent and carry it through the group organizations as well. I think we ought not to change the recommendation of the committee.

THE SECRETARY: I have given that matter some thought, and it is just as Mr. Dutcher stated. There are a few men in each group that will do a great deal of work, and sometimes it becomes almost necessary to elect some one man twice, and if you prohibit a man from holding office for more than one term the group is liable to suffer from it, but when the State association proper tries to legislate for the groups they will slip up on it. I can tell you that.

MR. DUTCHER: Perhaps I have been wrongly informed. I never have attended a group meeting. That shows that I haven't very much knowledge about this business. In fact I know more about some other kinds of business than I do about banking. Unless I have been wrongly informed there was a new chairman elected in Group VII. He declined, and did not serve. Am I not right, Mr. Rhodes?

MR. RHODES: He was ill and could not serve.

MR. DUTCHER: And the able chairman who had served the previous year served again. Whether he was re-elected by the group or whether he held over, I do not know. At all events, he was chairman the second year, and he fulfilled the duties of that position perhaps as well as any other man in the group could have done. I don't say any better, because we have some very able men in our group—of course leaving me out. I presume he does not want the office again. I wouldn't vote for him if he did, because I know we have other good men and I think we ought to give some one of them a chance. I do not believe it is policy, however, to prohibit a group from electing the same man twice, still, I am not tenacious about it and I am perfectly willing to withdraw the motion, though if anybody wants to back me up I would like to have him say so; if not, I will withdraw it, though it won't change my opinion about the matter any.

MR. SLOAN: As I remember the conditions existing at the time the movement was commenced to organize the State association there was a very prevalent feeling that it should be organized on popular lines; that there should be rotation in office, so that everybody should have a chance; that there should be no tendency to have the affairs of the association run in ruts and be controlled by a few people one year after another. And one of the greatest safeguards as against any possibility of that kind was thought to be a provision that should prevent any officer holding office more than one term in succession. Now if that was a good rule to apply to the officers of the association I do not see why it is not a good rule to carry down through the groups. It was held—and I believe with good ground—that that plan would stimulate ambition; that different men would like to hold the office of chairman of a group. We are all alike about that in this world. We all have ambition, and we all like to have it gratified. It was believed that the best way to keep the blood active was to have that principle dominate the policy of the association. I therefore hope that this convention will prohibit the holding of an office in a group for more than one term in succession by any officer. Of course, later on, after the lapse of a year or two, if they want to again elect to office a man who has previously held the office, I do not see any objection to it.

MR. DUTCHER: After listening to my distinguished friend Mr. Sloan, I believe I shall have to withdraw my amendment. I think this is one of the cases, perhaps, where his judgment is better than mine, although that won't change my own individual opinion. When called upon to express my own opinion I never fail to do so, although I state it rather bluntly. I shall withdraw the amendment now, deferring to the opinion of my friend from Oswego.

THE PRESIDENT: Now that all amendments have been withdrawn, are you ready for the question? All in favor of the adoption of the report of the committee upon the amended by-laws will manifest it by saying aye; those opposed, no. Adopted.

There are no other committees to report, I believe.

LESTER H. HUMPHREY, of Warsaw: Mr. President, I beg leave to present the following resolution which I was directed to draft by the convention:

"There can be no conflict of interest and should be no feeling of jealousy between the bank and the trust company, but inasmuch as there attaches to the franchise of a trust company practically every money-making function and right that is enjoyed by a bank, along with other privileges not enjoyed by banks; and inasmuch as no sound reason can be advanced for a distinction as to taxation between the holder of the stock of a bank and the holder of the stock of a trust company, and furthermore, inasmuch as it has long been the settled policy of the State to secure equality of taxation of both real and personal property among its inhabitants, both individual and corporate; therefore be it

"*Resolved*, That we favor and urge the passage of a law that will place banks and trust companies on an absolute equality for all purposes of taxation."

The resolution was seconded by Mr. Cannon and was adopted.

THE PRESIDENT: The order of business is the election of officers.

JOHN R. VAN WAGENEN, of Oxford: I rise on a question of privilege, Mr. President, before we proceed to the election of officers. When the resolution relative to the Convention of the American Bankers' Association was adopted there was a very weak response.

Now, I fear there is too much indifference by a good many members of this Association in reference to that organization. I have asked a number of gentlemen whether they were going to Detroit, and in many instances I have received a response which showed an indifference to the work of the American Bankers' Association, and in some cases gentlemen have said that they did not think the work of that Association amounted to very much in a practical way.

I recollect a number of years ago I had the good fortune to be present at the Passion Play at Ober-Ammergau, and after my return I was talking with a lady in regard to it, who said that a near relative of hers, a very distinguished theologian, was very much down on it on account of its being irreverent. I ventured the opinion that he had never seen it. She said that was true. I said: "He is not competent to speak of it, then."

Now, if the majority of the members of this Association have not visited the Convention of the American Bankers' Association they are not competent to criticize the work of that association.

I am in accord with everything connected with the State organization, but I would advise every member of it to also attend the meetings of the National association. It will help every member of this association, and it is courteous to that association to accept its invitation. Further, I will guarantee that every man who will attend a meeting of the American Bankers' Association will return home convinced that it is doing a good work and that they are broader and better men by reason of having been present at the convention. You meet there bankers from all sections of the United States, and the acquaintance and friendship there formed go very far toward neutralizing the friction which we too often see in political matters throughout different sections of the land.

Now, there never has been a good attendance of bankers from the State of New York at any meeting of the American Bankers' Association, and I hope that there will be a change in this respect in the Detroit meeting. I was elected Vice-President of that association from the State of New York two years ago, and if there had been as good an attendance of bankers from this State as there ought to have been I would not have stood the ghost of a chance.

JAMES H. TRIPP: Having taken some interest in the work of the American Bankers' Association, and having attended its conventions, I wish to supplement the remarks just made. That association has undertaken a very great work in which every bank and banker in this country is interested, and that is the apprehending of criminals who make it a business to perpetrate crimes upon banks and bankers. It is a fact that the members of that association are practically protected from depredations, because bank robbers and forgers are afraid to attempt anything on a member of the American Bankers' Association, for fear of the Pinkertons.

The next convention will be held at Detroit, and as vice-president for the State of New York I invite all the members of this association who have not yet become members of the American Bankers' Association to attend that convention and join the association.

F. C. EDDY, of Syracuse: Mr. President, I would like to say that the auditing committee is ready to report.

THE PRESIDENT: Gentlemen, give your attention to the report of the auditing committee.

MR. EDDY: We have examined the accounts of the treasurer, and the vouchers, and approved the receipts, and we have found everything properly audited and receipted for and vouchers for all the expenditures. We accordingly approve the reports of both the secretary and the treasurer.

THE PRESIDENT: The report of the committee will be accepted and the committee discharged.

The next order of business is the selection of the place for holding the next annual meeting.

JAMES G. CANNON: On behalf of Group IX, which, I think, has enjoyed the generous hospitality of all the other groups more than any one group—

Mr. RHODES: It will be Group VIII next year.

MR. CANNON: Mr. Rhodes reminds me that it is to be Group VIII next year. Then, on behalf of Group VIII, I invite the association to hold its next convention in New York city. Of course, we have not such delightful pastoral surroundings as there are here; no mineral springs; but we have Coney Island, and we have various plac s of interest in the city interesting to visitors, and we can promise you a good time. You need not meet there in the summer time necessarily, but you can put the convention off until the autumn. We will give you a royal welcome and guarantee you a good time.

MR. CARY: In behalf of the bankers of Niagara Falls, I invite the association to hold its next convention there. You have held three meetings in the eastern part of the State and only one in the western part of the State, and that one was the largest meeting the association ever held. I think we gave you a good entertainment the last time, and I promise you an equally good one next year if you will only come there. Niagara Falls is a pleasant place to meet at in the summer time. It has good hotels, and its people are hospitable.

THE SECRETARY: I would announce, gentlemen, that Niagara Falls is in the city of Buffalo.

E. A. GROESBECK: I suggest that the invitation extended to us by Mr. Cannon of New York be accepted, and that the time for holding the next convention be left to the executive committee with power.

J. R. VAN WAGENEN: It occurs to me that I would not like to wear this badge in New York city. You know, there are some terrible people in the metropolis, and I would be met by my nephew with a hand shake and asked for a little temporary loan, and I think the bunco men would have a delightful time with us. All they would have to do would be to walk right up and say, "Why, how are you, Mr. So and So," and I tell you none of us would be safe for a moment. Still, personally, I would like very much to go to New York city.

MR. DUTCHER: I haven't much to say on this question, but I rise to second Mr. Cannon's invitation. I notice some of the ladies in the rear of the hall shake their heads. I am full of gallantry and disposed to do almost anything that the ladies want to have done, but when it comes to a question whether the convention shall be held in New York or Niagara Falls I am in favor of New York. Talking about bunco steerers, why, if there is any place on earth where there has been more of that business carried on than anywhere else, surely it is at Niagara Falls. We had a good time in Niagara Falls last year. The committee who entertained us there did it in an admirable manner and in a way that reflected credit upon themselves and upon the place; nevertheless, I am decidedly in favor of New York as against Niagara Falls for next year.

Mr. Johnston: I move as an amendment that a vote be taken by ballot as to the place of meeting next year.

The President: I understand you to move that the next convention be held at Niagara Falls, and that a vote be taken by ballot upon that motion. Is that it?

Mr. Johnston: Yes, sir.

The President: Are you ready for that question, gentlemen?

Mr. Sloan: I listened with interest and with a feeling of strong appreciation to the reference made by my friend, Mr. Cannon, to the possibilities of our being royally entertained if we decided to meet next year in the city of New York. I can speak from actual knowledge of the elegant manner in which all who happened to be the guests of the gentlemen who represent Group IX in this body are always entertained, and I can especially speak of the way in which Mr. Cannon, himself, entertains when he undertakes to do so. When he was president of this association many of us had occasion to go to the city of New York in performing our duties as members of the council of administration, and we can testify to the regal manner in which we were entertained. But although this is a body in which the social feature is prominent in promoting its growth and success yet there is one thought that comes into my mind that I cannot forbear expressing inasmuch as it would have a tendency to put me in the attitude of rather opposing the invitation that Mr. Cannon has extended, and that reason is this: I think it will be conceded that it is a good thing for the convention, because it has a tendency to increase the attendance at the meetings to hold our annual gatherings during, to what we are accustomed to consider, our vacation time. That is in the summer, and of course it would not be practicable, because it would not be desirable in any view of it, to think of going to a large city like New York in mid-summer, and if you delayed until the autumn it would nécessarily take us into October, when we could not secure so large an attendance. Now this convention ought to seriously consider whether if the time of meeting is changed from July to October it would not have a decided tendency to diminish the attendance, and if that be so it seems to me that it is an unanswerable reason why we should force ourselves very much against our wishes to decline the generous invitation of our friend, Mr. Cannon, and my judgment would be most emphatically in favor of meeting at Niagara Falls.

Mr. Cannon: Now I am in the same position Mr. Dutcher was a little while ago. I cannot stand the oratory of my good friend, Senator Sloan, and after what he has said—with the kind permission of the other members of our group—I will withdraw New York from the field and heartily second the motion that we meet next year at Niagara Falls.

Mr. Dutcher: I have done about all the talking I ought to do, but having seconded the suggestion that we meet in New York, in direct opposition to the wishes of all my lady friends in the rear of the hall, because of my friendship for Mr. Cannon and because of my own personal feeling, I wish to say that I cheerfully acquiesce in what he has said, and again defer to the superior knowledge and judgment of my distinguished friend Mr. Sloan.

A vote being taken it was decided that the annual convention in 1898 be held at Niagara Falls, the precise time of meeting to be fixed by the council of administration.

THE PRESIDENT: Now we come to the election of officers.

S. M. GRISWOLD: Before we proceed to the election of officers I desire to make the following motion:

That the thanks of this association be extended to the clergymen of Saratoga who have assisted in the opening of our sessions; to the Mayor of the city, and to the citizens of Saratoga for the cordial manner in which we have been entertained.

MR. SLOAN: I would suggest to Senator Griswold that he include also the Saratoga Club in his motion.

MR. GRISWOLD: I will include that in the motion.

The motion was carried unanimously.

J. R. VAN WAGENEN: I move that a vote of thanks be extended to Prof. Jeremiah W. Jenks, of Cornell University, for his able address delivered to this convention.

MR. CANNON: I second that motion.

THE PRESIDENT: It gives me great pleasure to put the question on this motion. All in favor of the motion will manifest it by saying aye—opposed, no. Carried.

JAMES H. TRIPP: I desire to move that a vote of thanks be extended to Mr. John J. Crawford, of New York, for his address.

MR. ADSIT: I second that motion.

The motion was carried.

MR. RHODES: I move a vote of thanks to the bankers of Saratoga, to the committee of arrangements of which Mr. Cogswell, of Albany, is chairman, for their entertainment of the members of this convention, and also to Messrs. Woolley and Gerrans, of the Grand Union Hotel, for the courtesies they have extended to us.

The motion was seconded by Mr. Cannon and was carried.

Mr. Cornwell moved that a vote of thanks be tendered to Senator Humphrey for his able paper. The motion was seconded by Mr. Cannon and was adopted.

H. B. COOMBE: Last but not least, I think a motion ought to be passed tendering our thanks to the outgoing officers of this association for their work during the year.

Mr. Cannon seconded the motion, which was adopted.

THE PRESIDENT: Gentlemen, I thank you for this expression of your confidence, and in saying this I will state what I would have said on presenting the incoming president. The acquaintances formed during the past year through the hearty cooperation of the chairmen of the groups has been such as to lighten my labors as the chief executive officer of the association, and I am sure whoever occupies this place and comes to it with his heart in his work and with a desire to extend the benefits of this association, will find a hearty response from the bankers of the State everywhere. Now, gentlemen, we will take a recess of five minutes to allow you all to straighten out, and at the same time to allow the delegations here from each of the groups to select their delegates to the American Bankers' Association, and in making that selection I earnestly urge that you will select men from whom you have a pledge that they will attend the meeting. There will be one delegate-at-large to elect, as well.

A recess was then taken, and after re-assembling the president announced that nominations for officers were in order.

G. R. WILLIAMS: I think it would be in order to move a vote of thanks to Superintendent Kilburn for his able and instructive address.

Mr. De Ridder seconded the motion, and it was adopted.

MR. SLOAN: In appreciation of the excellent administration of the officers of this association, gentlemen, I move that the retiring president be elected as the delegate-at-large to the Convention of the American Bankers' Association.

The motion was seconded by Mr. Dutcher, and was carried.

THE PRESIDENT: Now nominations are in order for delegates from each of the groups.

NOMINATION AND ELECTION OF OFFICERS.

Group I. nominated F. E. Johnson, of Niagara Falls.

Group II. nominated George W. Thayer, of Rochester.

Group III. nominated G. R. Williams, of Ithaca.

Group IV. nominated George B. Sloan, of Oswego, with power to appoint his alternate.

Group V. nominated J. H. De Ridder, of Saratoga Springs.

Group VI. nominated T. Ellwood Carpenter, of Mount Kisco, and C. F. Van Inwegen, of Port Jervis, as alternate.

Group VII. nominated Stephen M. Griswold, of Brooklyn.

Group VIII. nominated James G. Cannon, of New York, with power to appoint his own alternate.

The names above presented were selected as delegates to the Detroit Convention of the American Bankers' Association.

BRADFORD RHODES: I move that the delegation elected be empowered to fill any vacancies which may occur in their number.

THE PRESIDENT: If there is no objection it will be so ordered. Now we come to the election of president. The only nomination that has been made is that of Hon. A. B. Hepburn, of New York.

On motion of Mr. Dutcher the secretary was instructed to cast one ballot of the association for A. B. Hepburn as President.

THE PRESIDENT: The secretary reports that one ballot has been cast for president of the association bearing the name of A. B. Hepburn. I therefore declare Mr. Hepburn duly elected president of the New York State Bankers' Association for the ensuing year.

The next office to be filled is that of vice-president for which only one name has been placed in nomination—that of E. A. Groesbeck, of Albany.

On motion of Mr. Barnes the secretary was instructed to cast one ballot for E. A. Groesbeck of Albany, for vice-president for the ensuing year, and he was declared duly elected.

THE PRESIDENT: The next office to be filled is that of treasurer for which Mr. F. W. Barker, of Syracuse, has been nominated.

On motion of Mr. Lamb the secretary was instructed to cast one ballot for F. W. Barker for treasurer, and he was declared elected.

THE PRESIDENT: Two candidates have been placed in nomination for secretary—W. I. Taber, of Herkimer, and Walter E. Frew, of Long Island City.

W. I. TABER: Mr. President and Gentlemen - With full appreciation of the honor conferred upon me by this nomination, and thanking my friends for their hearty support, I beg to withdraw my name and to move that the secretary cast one ballot in favor of Walter E. Frew for secretary of this association.

There being no objection it was so ordered and Walter E. Frew was declared duly elected secretary for the ensuing year.

The Chair appointed Mr. Cannon and Mr. Dutcher as a committee to escort the president-elect to the platform.

The president-elect, A. B. Hepburn, of New York, was then escorted to the platform and received by the retiring president, who introduced him to the convention in the following words:

THE PRESIDENT: Gentlemen—It is with great pleasure that I present to you your new president. And to you, sir, I transfer this symbol of the office of president of the New York State Bankers' Association, and I am rejoiced that one should be called who fills out in every particular the recommendations made in the annual message of the outgoing president. I therefore hand over to you this emblem of your authority, thankful indeed that it finds a resting place for the next year in such efficient hands.

ADDRESS OF PRESIDENT-ELECT A. B. HEPBURN.

Mr. President and Gentlemen—I assure you that it is very gratifying to receive this honor which you have so generously conferred upon me. It is especially pleasing, sir, to receive this gavel at such worthy hands. It was said in the olden time in Parliament that when Burke and Fox and Pitt had spoken silence reigned. No one had the temerity to follow them. During the three years of the existence of our organization, it has been presided over by Cornwell, Cannon and Dexter, who have stood sponsors at the birth and baptism of our association, and to whose ability and devoted energy we are indebted for the success which we to-day celebrate and the triumph which our association has achieved. I call your attention to the fact that we have gotten down now to the lay members, and the success of our organization in the future depends more and more upon the individual and less upon management.

I beg you to believe that I fully appreciate the honor conferred, and I trust that I realize the duties and responsibilities which go with it. Earnest conviction and earnest effort are the only guarantees of success.

The strength of our association consists in the units, the groups of which it is composed, and the strength of the groups depends upon the energy and attention to the success respectively which their members bestow. Along these lines I pledge you my best endeavors and I bespeak from you that earnest co-operation which you have given in the past and which alone can realize the full measure of success.

We live in a sensational age, in an age of sensational transition. Political and social changes are keeping close tab upon scientific and mechanical development. The close interconnection and inter-communication of the whole world has brought the whole world in close competition. The lower rates of interest, the lower rents, the lower wages and lower prices of commodities in the old world are gradually bringing us down to an approximate standard. In order that we may dispose of our surplus products in the markets of the world, the cost and conditions of production with us must approximate those which obtain in the countries with which we compete, and this fierce competition has enforced and is enforcing the greatest economies in all directions. The principal economy of which we hear at present is the economy found to exist in the consolidation and concentration of business. Hence, the disappearance of the small manufacturer and the concentration of business in commercial centers with their greater facilities for the transportation and distribution of products. Hence the tribulations of the retail dealer and the creation of that modern octopus, the department store, in opposition to which in so many of the legislatures of the country and especially of our State last winter, hostile legislation has been proposed. Hence, this combination, this formation of trusts.

I do not believe that the public are in any danger of unjust prices or unjust exactions from this source. Capital will enter all fields in competition where prices are exorbitant. The history of the lead trust, the starch trust, the cotton oil trust, the cordage trust, and others by their failure have proven this. The only trusts that have or can succeed are those that by the study of economies and by furnishing the public a service at a price which cannot be characterized as unreasonable, will justify their success. Witness the Standard Oil Trust.

While this tendency toward consolidation and aggregation is so pronounced on the part of all kindred industries, the tendency toward segregation seems to be equally pronounced on the part of varying industries—a tendency almost to the disintegration of our business as a harmonious whole. Thus we have one section of our country or its interests arrayed in opposition to that of another, with the resultant political friction, a more or less business antipathy. We have all different industries organized and aggressive looking out for their respective interests at the hands of Congress and legislatures. Witness just now their demand for protection at the hands of Congress regardless of the effect it may have upon the interests of the country as a whole. We have labor organized and militant, by political influence, and the strike seeking to assert its rights and redress its wrongs; and however much the employee may have been at the mercy of the employer in time past it is a fair question whether the time has not arrived when capital is quite as apt to suffer from the wrongful acts of united labor as labor is to suffer from the unjust exactions of capital. It is the province of good citizenship, and I believe, more than all other citizens, the province of bankers, to demonstrate the community and identity of interests of capital and labor and secure to both equal and exact justice.

But with organization the spirit of the age, with every one from the people who control transportation down to the people who make their own transportation upon bicycles, organizing to assert their interest, it is certainly incumbent upon us to cultivate, foster and develop our organization—not for the purpose of asserting any selfish interests, for we have none independent or apart from that of the public. Ten per cent. of the money we handle belongs to our employers, the stockholders. Ninety per cent. belongs to our patrons, the general public of all classes. When the public profits we profit. When any industry languishes our prosperity is impaired. There can be no failure that does not reach into and affect some bank. And while we should not organize for any selfish purpose I believe it to be our duty to do so for the purpose of impressing upon the public sound business principles and sound principles of finance and legislation—principles with which from the nature of our business we ought to be familiar students and competent judges. We ought to associate also, for the purpose of learning better methods which our neighbors may enjoy; for the purpose of a comparison of views with respect to the credit and responsibility of the individual and corporate public with which we have to deal.

The money in our vaults is subject to attacks all the while, not alone from robbers and swindlers, but from people well meaning, though over sanguine, whose schemes come to naught, and also from people who, inspired with a desire to get rich too rapidly, extend

their business beyond their financial ability to protect. The banker who loans to a man engaged in a hazardous enterprise simply adds fuel to the flame, increases the momentum, and adds to the damage done by the inevitable crash which eventually comes, and the lender, the borrower and the public are injured. The banker who loans to a man engaged in legitimate business within conservative limits and enables him to build up a business and furnish employment to others, to create capital and wealth, confers a public favor on the lender, the borrower and the public, and thereby prospers.

Hence, it is of the utmost importance that we make a study of this subject of credit, and that by a comparison of views we protect ourselves by protecting each other, and I trust that each and all of us will give attention to the group meetings, to the meetings of the State association and to the conventions of the National association, to the end that we may cherish these gatherings, realizing as we must and believing as we certainly will come to believe, that among the best fruits to be garnered by these associations are the promotion of good fellowship and the development of a community of interests.

Gentlemen, what is your further pleasure? I am advised that the one affirmative act of the incoming administration is to make an announcement which I am sure will gratify you all, and that is that there is a photographer in waiting anxious to stereotype this group as they pass out.

LEDYARD COGSWELL: On behalf of the committee of arrangements I will announce that there will be a reception this evening in the parlors of this hotel tendered to the newly-elected officers of the association, to which all are invited.

THE SECRETARY: On behalf of the retiring vice-president, treasurer and secretary, and on behalf of the vice-president, treasurer and secretary elect, I would announce that they will hold a reception in the opposite end of the hall with their wives to save time.

THE PRESIDENT: I suppose it will be perfectly permissible for us to go over with the great majority, will it not?

THE SECRETARY: Yes, sir. I also desire to state that Mr. Lund, the leader of the orchestra who, by the way is from Buffalo, has prepared a special programme for this evening. The first number is entitled "The Bankers' Association March;" the second is an overture entitled "The Jolly Robbers," during which the committee of arrangements, headed by the chairman, will march up and down the piazza. The next is a waltz, entitled "The Gold Standard," which Mr. Cornwell will dance.

THE PRESIDENT: Gentlemen, you have heard the announcements of our worthy secretary, and I trust you will give heed to them.

MR. CORNWELL: There is one number on our programme that the secretary did not call attention to—the author of it is Mr. Kennedy, and he wrote it after one o'clock this morning, so you will please excuse him.

On motion of James G. Cannon, the association adjourned *sine die*.

NEW YORK STATE BANKERS

**A Saratoga banker, whose wealth was very great,
Unto a fair young maiden his tale of love did state.
He told her of his discounts, his balances and loans,
Of the broad ancestral acres his ancient family owns.
Of the deep, abiding love his throbbing heart did feel;
She listened not, until he promised her a '97 wheel.**

NEW YORK STATE BANKERS

ALONZO B. HEPBURN, *President.*

The new President of the New York State Bankers' Association, Hon. A. B. Hepburn, ex-Comptroller of the Currency, and Vice-President of the National City Bank, of New York, was born in Colton, N. Y., July 24, 1846.

He entered Middlebury College in the class of 1871. His first public office was that of School Commissioner in St. Lawrence county, which position he held for three and one-half years, resigning to take his seat in the New York Assembly January 1, 1875. He was re-elected for five successive years, during which period he served on the committees on railroads, insurance, judiciary, ways and means, and other important committees, devoting his attention to commercial and financial interests rather than politics. He introduced, among other important measures, and secured the passage of the law making life insurance policies non-forfeitable after the payment of three annual premiums, and requiring the companies upon application to issue paid-up insurance to an amount which the surrender value of the policy would purchase at regular rates.

He was Chairman of the Railroad Investigation Commission, created at the instance of the Chamber of Commerce of the city of New York, took over six thousand pages of testimony, and reported to the Legislature several important measures which became laws—among them the Act creating the present Railroad Commission, an Act regulating the use of proxies, and an Act defining and regulating annual reports, compelling a continuous balance sheet. Prior to this Act the railroad reports had been a source of confusion rather than of information to an investigator.

In April, 1880, he was appointed Superintendent of the Banking Department of the State of New York, and held the position something over three years. The Savings banks, trust companies and State banks enjoyed a marked degree of prosperity during Mr. Hepburn's administration, evidenced by increase of resources, reserve and surplus profits, and number of institutions reporting. There was no failure of any institution in New York city or Brooklyn, no trust company or Savings bank, and only two discount banks of minor importance.

In June, 1889, he was appointed National Bank Examiner for the cities of New York and Brooklyn by Comptroller Lacey and the late Secretary Windom, from which position he was promoted by President Harrison to be Comptroller of the Currency. As bank examiner he was discreet as well as thorough. Mr. Hepburn resigned as Comptroller upon the advent of the Cleveland administration, and became President of the Third National Bank, of New York city. Upon the liquidation of this bank and the consolidation of its business with the National City Bank, Mr. Hepburn became vice-president of the latter institution. It is the largest commercial bank in the United States, its deposits exceeding $58,000,000.

Mr. Hepburn holds a deservedly high rank among the financiers of the United States, and his force of character and modest disposition have won him many friends not only in New York State but throughout the country. An increase in the membership and efficiency of the association may be expected under his administration.

EDWARD A. GROESBECK, *Vice-President.*

Edward Anson Groesbeck was born at Lansingburg, N. Y., and is a descendant of Claase Jacobse Groesbeck, of Rotterdam, Holland, who settled in Albany in 1662.

His education was obtained in the public schools, and at the Lansingburg Academy and the Troy University.

He commenced his banking career as a clerk in the Farmers' Bank, Lansingburg, and in 1864 was appointed money clerk in the National Commercial Bank, of Albany. He was successively promoted to the various positions of discount clerk, receiving teller, paying teller, Assistant Cashier, and on April 30, 1873, he was made Cashier, and has now held the office for nearly twenty-five years—the longest term of any officer during the seventy years' existence of the bank.

Mr. Groesbeck comes of a banking family. His father, Anson Groesbeck, was Cashier of the Farmers' Bank, of Lansingburg, and his brother, William C. Groesbeck is Cashier of the bank of D. Powers & Sons, Lansingburg; another brother, Leonard H. Groesbeck, is Cashier of the Third National Bank, Syracuse.

Besides his banking interests, Mr. Groesbeck is identified with many social and benevolent institutions. He is a member of the Fort Orange Club, of Albany, and of the Holland Society; is president of the Albany Home School for the Oral Instruction of the Deaf; a trustee of the Albany Young Men's Christian Association, in which work he is active, especially in the junior department, being a member of the State committee on junior work.

Mr. Groesbeck is a director of the Park Bank, of Albany, and other local institutions.

The National Commercial Bank, of Albany, of which Mr. Groesbeck is Cashier, is an old established institution, strong and prosperous. It has $300,000 capital, $700,000 surplus, and $82,000 profits, while its deposits exceed $8,000,000.

WALTER E. FREW, *Secretary*.

Heretofore the association has been especially fortunate in its selection of gentlemen to fill this office, which is by no means an unimportant one. Mr. Frew will make a most efficient officer, for he is not only a good banker but a live worker, and popular in banking circles. He is president of Group VIII (now Group VII, under the amended by-laws), and is also President of the Queens County Bank, Long Island City.

Mr. Frew has given considerable attention to plans for clearing the checks of country banks. This is a matter that has frequently been discussed at the various meetings of the association. At the Niagara Falls convention Mr. Frew expressed the opinion that such an arrangement is practicable, and cited the experience of the banks of Long Island, outside of Brooklyn, which already have a system of clearings in operation in a small way.

As chairman of the Long Island group, Mr. Frew has done much to advance the work of the State association.

FREDERICK W. BARKER, *Treasurer*.

Mr. Barker was born in Syracuse, N. Y., December 3, 1851. He received a good education, but anxiety to enter upon an active business life induced him to leave college before completing the prescribed course.

His first business experience began in 1869 with a firm of millers and grain dealers. He learned the business thoroughly, at the same time giving especial attention to the study of book-keeping and general accounting. The firm could not withstand the hard times following the panic of 1873, and in 1876 Mr. Barker was thrown entirely on his own resources.

At that time James J. Belden, now President of the Robert Gere Bank, Syracuse, engaged him temporarily.

In 1880 Mr. Belden and his brother organized the Robert Gere Bank, making Mr. Barker the Cashier, which position he has held ever since.

The bank started with a capital of $100,000, and allowed profits to accumulate until it had a surplus of $200,000, and then began paying dividends each year.

Mr. Barker has served in various capacities, as Secretary and Treasurer of different corporations, Receiver and Trustee, but his best efforts have been devoted to the business of banking. He was a member of the original committee which undertook the organization of the New York State Bankers' Association.

The World's Gold Product.—The Director of the Mint estimates the gold production of the world for 1896 to have been $205,000,000, of which sum the United States contributed over $53,000,000. For 1897 it is believed the world's gold product will reach at least $240,000,000, an increase of $35,000,000 over 1896. As an indication of the increase in the world's gold product for 1897, the following table, showing the product of the United States, Australia, South Africa, Russia, Mexico, British India, and Canada for 1896, and the probable output of these countries for 1897, is given:

	1896.	1897.	*Increase.*
United States	$53,000,000	$60,000,000	$7,000,000
Australia	46,250,000	52,550,000	6,300,000
South Africa	44,000,000	56,000,000	12,000,000
Russia	22,000,000	25,000,000	3,000,000
Mexico	7,000,000	9,000,000	2,000,000
British India	5,800,000	7,000,000	1,200,000
Canada	2,800,000	10,000,000	7,200,000
Totals	$180,850,000	$219,550,000	$38,700,000

That the world's gold product will continue to increase for a number of years to come is self-evident, as new mines will be opened up in all parts of the world, and with the improved appliances and methods for extracting the gold contained in the ores, it is believed that by the close of the present century the world's gold product will exceed $300,000,000.

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

WISCONSIN BANKERS' ASSOCIATION.

The fifth annual convention of the Wisconsin Bankers' Association met at Waukesha, the Saratoga of that State, on July 8. Most of the time during the first day was occupied in drives about the city, listening to concerts, etc. In the evening the proceedings were opened at the Casino, Rev. P. S. Everett making the opening prayer, and Mayor H. M. Enos the address of welcome. J. W. P. Lombard, vice-president, responded on behalf of the association.

J. Laurence Laughlin, Professor of Economics in the University of Chicago, delivered a highly-interesting lecture on "Some Practical Aspects of Socialism."

The second day of the convention opened at the court house, Friday, July 9. President A. J. Frame, who is also President of the Waukesha National Bank, read a paper on the topic "Can the Severity of Panics Be Ameliorated." He said that the severity of these financial upheavals could be lessened by the enactment and rigid enforcement of good banking laws in all the States. "Good banks," he said, "ought to court investigation, and the people should insist on rigid investigation of all banks to weed out insolvents."

President Frame also proposed a plan for issuing an emergency circulation by the United States Treasury, the notes to be a legal tender, to be based on security deposited by the clearing-houses, and to be compulsorily retired four months from the date of issue.

THE MAGAZINE expects to publish Mr. Frame's paper in full in a later number.

Chas. F. Pullen, secretary, presented his report, showing a membership of 166 out of a total of 335 banks in the State.

Treasurer M. B. Greenwood's report showed receipts for the year, $1,760; disbursements, $840; balance, $920.

B. B. Northrop, Cashier of the Merchants' National Bank, Racine, made a valuable address on "Uniformity of Methods and Customs in Banking."

M. B. Greenwood, Cashier of the Batavian Bank, La Crosse, commended the form of customers' statements adopted some time ago by the New York State Bankers' Association.

W. K. Coffin, Cashier of the Eau Claire National Bank, Eau Claire, spoke on the topic "Interest on Deposits." He referred to the former custom in his city, Eau Claire, of not paying interest on deposits which was departed from a few years ago when it was found that the business that belonged naturally to that city was being diverted to neighboring banks. He deprecated the fact and said he believed it was the duty of bankers to stand together and look more to the interest of the business.

J. M. Holley, Cashier of the State Bank of La Crosse, spoke on the practice of cutting rates of exchange. He said a fair exchange was the right basis for every transaction. The little things were the things that were robbing the bankers of their profits. "Bidding for accounts," he said, "is a bad practice. We should not do anything that renders accounts of no value to us. Bankers should unite in every town and adopt plans and stick to them. Whatever in the end tends to detract from the honor of banking will eventually swamp its profits."

Delegates to the Detroit convention of the American Bankers' Association were chosen as follows:

W. S. Reynolds, Cashier Iron Exchange Bank, Hurley; W. K. Coffin, Cashier Eau Claire National Bank, Eau Claire; John J. Sherman, Cashier Citizens' National Bank, Appleton; J. K. Ilsley, Cashier Marshall & Ilsley Bank, Milwaukee.

Resolutions were adopted on various topics, supporting the President in his purpose to appoint a commission for revising the currency and banking laws, thanking the citizens of Waukesha for the hospitable entertainment accorded the members of the association, and especially the president of the association. Thanks were also extended to the retiring officers.

Officers chosen for the ensuing year are:

President—W. K. Coffin, Cashier Eau Claire National Bank, Eau Claire.

Vice-President—John Johnston, Cashier Wisconsin Marine and Fire Insurance Co. Bank, Milwaukee.

Treasurer—Fred P. Meyer, Cashier the Meyer-Showalter State Bank, Lancaster.

Secretary—Geo. W. Strohmeyer, Cashier Milwaukee National Bank.

Executive Committee—Theo. R. Frentz, Cashier German-American Bank, Oshkosh; M. T. Alverson, Cashier City Bank of Portage; Grant Fitch, Cashier National Exchange Bank, Milwaukee.

A communication from the Iowa Bankers' Association was presented urging the Wisconsin bankers to join in forming a new national association, to which the secretary was directed to return answer that the Wisconsin association did not approve of the movement.

The New York State Bankers' Association sent greetings to the Wisconsin bankers in convention and the secretary was directed to acknowledge the same and extend the greeting of the Wisconsin bankers on the occasion of the former's meeting, July 15.

Pleasing incidents of the closing day were a trip over the Waukesha Beach Railroad, a steamer ride on Pewaukee Lake, and a banquet in the evening at Fountain Spring House. Toasts were responded to as follows:

"The Prosperity of Banks Insures the Prosperity of the People."—Hon. T. E. Ryan, Waukesha.

"The New Bank Law."—Hon. M. G. Jeffris, Janesville.

"The Experience of Sweden on a Copper Basis."—Robert Shiells, Neenah.

"The Country Banker."—F. P. Meyer, Lancaster.

"The State of Wisconsin."—Gov. Edw. Scofield, Madison.

"The Unknown in Banking."—F. G. Bigelow, Milwaukee.

"Alex. Hamilton and Thos. H. Benton."—Hon. E. W. Chafin, Waukesha.

Governor Scofield said:

I consider it an honor, I assure you, to be invited to address you upon an occasion of this kind. I have always had a high regard for the bankers of the country, but the history of the past few years has elevated them still more in my estimation. The stand taken, almost unanimously, by the banking interests last year on the side of a wise financial policy and national honesty—though the motives which prompted it may have been in part, at least, selfish—could not but commend them to the respect and confidence of intelligent people. My respect for bankers is increased, too, whenever I think of the enormous responsibility resting upon them. I am not here merely to speak in terms of adulation of your profession, but it seems to me that no intelligent man can give fair consideration to the duties and responsibilities resting upon bankers without feeling a profound respect for the men upon whose shoulders rests in large measure the financial integrity of the country. There is no department of business activity wherein the responsibilities and opportunities are so great. It is your privilege and your duty to educate the people to a high standard of commercial honor.

It is also your privilege and duty to wisely guide the ambitious activity of the age into safe channels and away from the dangers of inflation and unhealthy speculation. It should not be possible for this country to pass through another period of financial distress such as that which began in 1893; but, whether it will or not, depends largely upon the bankers. Not alone self-interest, but the higher demands of the general welfare call upon you to so direct and control business activity as to make impossible another such calamity. I cannot but think that the inflation of real estate values, which always precedes serious financial disturbances and which was manifest to a marked degree before the last reaction, might be controlled, if not practically prevented, by the adoption of a wise, uniform policy by the banks.

What I have referred to has to do with the practical duties of banking, but beyond this there are obligations resting upon the bankers of this country which must be met. There are two important reforms which, it seems to me, must be brought about. As they cannot be accomplished without the aid of the bankers, the obligation to compass them rests chiefly upon the bankers. There must, in the near future, be devised some plan to increase the security of bank depositors. There is no just reason why bank depositors should be less secure than the other creditors of the bank, the holders of bank notes. It seems to me that it is within the possibilities to devise such a plan. Certainly, its desirability in view of the banking history of the country will not be questioned.

Another reform necessary is in the financial system of the general Government. We can never feel ourselves to be on a safe and satisfactory financial basis so long as the Government has out an enormous amount of demand obligations inviting inopportune demands whenever there is the slightest depression in any of the financial centers of the world. I am not a doctor of finance and cannot prescribe remedies for the evils indicated, but it is very clear to me that the system which subjects either individual banks or the National treasury to frequent "runs" and consequent disaster, should not be perpetuated beyond the time necessary to properly change it.

The same wise self-interest and patriotism which prompted the bankers of New York city to devise the combined reserve p an for protecting themselves from disaster can, I believe, if applied, evolve a more businesslike system ot national finance and also discover some safe and wise means for placing bank creditors on an equal footing of absolute security. Knowing the banking interests of our own State as I do, I am justified in hoping that to Wisconsin may come the honor of being one of the foremost States in bringing about these necessary reforms.

MINNESOTA BANKERS' ASSOCIATION.

The eighth annual convention of the Minnesota Bankers' Association was held at Duluth, July 15 and 16.

After a speech of welcome by W. W. Billson, of Duluth, the president's annual address was read by J F. R. Foss, Vice-President of the Nicollet National Bank, Minneapolis. In commenting on the taxation of banks President Foss said that while there was no doubt that the banks are taxed more heavily than other kinds of property, there seemed to be a lack of united efforts among the bankers to secure relief.

Secretary George H. Prince, Assistant Cashier of the Merchants' National Bank, St. Paul, read his report showing a membership of 111 out of 448 banks in the State.

"Retiring the Greenbacks" was discussed by C. M. Hertig, President of the Merchants' National Bank, St. Cloud. He thought that the effort to retire these notes would not be successful.

T. R. Flynn, National bank examiner, spoke on "Lessons the Times Should Teach."

Pleasant features of the convention were a steamboat ride around the harbor. a drive about the city and boulevard, and a reception at the Kitchi Gammi Club, tendered by the Duluth bankers.

Officers for the ensuing year were elected as follows:

President—D. A. Montfort, President Second National Bank, St Paul.

Vice-President—H. D Brown, President Albert Lea National Bank, Albert Lea.

Treasurer—Geo. H. Prince, Assistant Cashier Merchants' National Bank, St. Paul.

Secretary—Charles W. Folds. Northwestern National Bank, Minneapolis.

Executive Council—Walter Hurlbut, Vice-President and Cashier First National Bank, Rochester; J. F. R. Foss, Vice-President Nicollet National Bank. Minneapolis; L. Whitmore, Cashier First National Bank, Wabasha; F. H. Wellcome, President Yellow Medicine County Bank, Granite Falls; Cliff W. Gress, Cashier Citizens' Bank, Cannon Falls; A. C. Anderson, Cashier St. Paul National Bank. St. Paul; A. A. Crane, Assistant Cashier National Bank of Commerce, Minneapolis; Chas F. Leland, President Commercial Bank, Duluth; J. W. Wheeler, Cashier First National Bank, Crookston.

Delegates to Convention of American Bankers' Association—Geo. H. Prince, Assistant Cashier Merchants' National Bank, St. Paul; S. McKennan, Cashier Bank of Marshall, Marshall; James C. Hunter, Cashier American Exchange Bank, Duluth.

Group VIII, New York State Bankers' Association.

The mid-summer meeting of Group VIII, of the New York State Bankers' Association, (Group VII under the new by-laws) was held at Huntington, Long Island, August 4.

The visitors were met at the Huntington station by a committee composed of Messrs. James M. Brush, President; Douglass Conklin, Cashier, and Joseph Irwin, of the Bank of Huntington; and special cars conveyed them to the residence of Mr. Brush, where the ladies were received and entertained by the wives of the directors of the Bank of Huntington, including Mrs. James M. Brush, Mrs. George F. Barr, Mrs. Joseph Irwin, Mrs. Edward Carll, Mrs. Henry F. Sammis, Mrs. Douglass Conklin, Mrs. O. S. Sammis and Mrs. Henry S. Brush. Walter E. Frew, President of the Queens County Bank, presided at the meeting of the group at the opera house. Secretary Frank Jenkins called the roll and read the minutes of the last meeting and of a special meeting. President John G. Jenkins, of the First National Bank, Brooklyn, spoke on the present system of taxing trust companies and State and National banks.

A motion was passed authorizing the printing of cards containing resolutions in regard to the "accounts closed for cause," passed at the last meeting, and that these be sent to the Cashiers of the various banks to be hung up for continual reference. A motion made by Henry F. Sammis, a director of the Bank of Huntington, that the chair appoint a committee of five to consider the matter of the protection of country banks in case of a stringency in the money market, was passed.

Mr. Sammis, in a few words of cordial welcome, extended the hospitality of Huntington to Group VIII, the thanks on behalf of the group being expressed by President Frew.

At the close of the business meeting the members and visitors were conveyed to the harbor, where they boarded the steamer Huntington and enjoyed a sail across Huntington harbor and bay to Locust Grove. Music on the boat going and returning and during the dinner was furnished by Smith's orchestra. Upon their arrival a shore dinner was served by Mr. Mitchell, proprietor of the grove, the dining-hall being prettily screened with foliage.

After dinner addresses were made by Joseph C. Hendrix, ex-Postmaster of Brooklyn, and President of Union National Bank of New York city, upon the protective work of the American Bankers' Association; Stephen M. Griswold, of the Union Bank, Brooklyn, upon the formation, work and good of the State Bankers' Association; Bradford Rhodes, editor of the BANKERS' MAGAZINE, on the subject of equalizing the taxation of banks and trust companies; Wiliam Cullen Bryant, fire commissioner of Brooklyn, to the women present and the hosts; John G. Jenkins, of the First National Bank of Brooklyn, describing the probable future of Huntington. A response in behalf of Huntington was made by Henry F. Sammis.

On the return trip a run was made up into Northport Harbor to Northport village before returning to the wharf whence they were conveyed to Huntington station in time for the evening train to the city.

State Bankers' Associations—Future Conventions.

ILLINOIS STATE BANKERS' ASSOCIATION.—The next annual meeting will be held at Peoria, Wednesday and Thursday, October 20 and 21.

KENTUCKY BANKERS' ASSOCIATION.—Frankfort, Ky., October (date to be fixed).

OHIO STATE BANKERS' ASSOCIATION.—This year's convention will be held at Toledo, on Wednesday and Thursday, September 15 and 16. The programme has not been officially announced.

PENNSYLVANIA BANKERS' ASSOCIATION.—Williamsport, October 6 and 7.

OPEN LETTERS FROM BANKERS.

AN INTERCHANGE OF OPINION BY READERS OF THE MAGAZINE.

COMMENDS THE FOWLER BILL.

Editor Bankers' Magazine:

SIR:—Being deeply interested in the cause of sound money here in Missouri, and the country generally as well, and giving my best efforts and time to the support of the cause, and firmly believing that there is much in the present system of our Government's financial policy that is bad, it has been my earnest endeavor to ascertain the best and quickest means of relief, and after careful consideration of many of the different plans and methods suggested by different persons, I have come to the final conclusion that the bill, in connection with the speech, introduced by Hon. Charles N. Fowler, of New Jersey, in the National House of Representatives at Washington on March 31 last, is "the one thing needful" to effect a solution of this most complex question, that all followers of sound currency, and monetary reform can agree upon. My own opinion is, that for this or any other proposed bill for the relief of the present policy of the Government, it is absolutely necessary that all the followers of the different sound money organizations shall unite and use their combined efforts towards the final passage of some specific measure.

I feel that the proposed bill of Mr. Fowler's cannot help but appeal to the intelligence of every patriotic man, who has the best interests of his country at heart, as one of the most complete and effective means of putting this country on a solid foundation financially without any of the panics or financial scares usually following legislation of this kind.

I have taken occasion to distribute Mr. Fowler's bill among the best commercial people in this part of Missouri, and I am very happy to say it has met with the universal approval of them all.

FRANK W. BAKER.

ST. JOSEPH, MO.

Another correspondent writes as follows on the same subject:

Editor Bankers' Magazine:

SIR:—According to the Actuary of the Treasury Department it has cost the United States Government over three hundred and thirty-three millions of dollars to uphold the greenback since 1879, or an average of more than twenty-one millions of dollars per annum. By the plan proposed in the Fowler currency bill there will be a saving in the funding of the national debt of twelve millions of dollars, making an annual gain, should the maintenance of the gold standard be thrown upon the banks, of thirty-three millions of dollars.

That the banks can maintain gold payments there can be no possible doubt, as the exports of gold could in no case exceed a legitimate sale of that commodity, for whenever the reserves seem to be running low the clearing-house banks in New York would at once raise the rate of interest and stop the outflow, a means that is not available to the United States, for the slightest charge made by the Government would amount to repudiation.

Again, the fact that the Government ultimately redeems the notes of the banks out of a guarantee fund created by a tax upon circulation or the assets of the banks, falling upon which the Government has a lien to recoup itself for the redemption of the notes, brings the whole seven billions of liquid assets now held by the banks between the Government and the maintenance of our standard of value. Add to this obligation of maintaining the gold standard the additional duty upon the part of the banks to insure all depositors in National banks against loss, and the net gain to the Government and the people will be enormous, far outstripping the value of the right of note issue. The Government will be a gainer of more than thirty-three millions every year; the banks will secure the privilege of issuing credit notes, and as a consideration therefor will relieve the Government of this interest charge of thirty-three millions per annum, and in addition insure the people of the United States who are depositors in National banks absolutely against loss.

BANKER.

GALVESTON, TEXAS, July 30.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The banking house of James G. King's Sons, of 53 William street, founded by James G. King in 1815, is going out of business. In former years it did a large business, but had not been doing much lately. Messrs. Baring, Magoun & Co. will look after the remaining interests of the firm.

—There is a pronounced feeling among the banks of the city that the bad conditions following the 1893 panic are rapidly passing away, and that the business outlook is now more favorable than at any time during the past four years.

— H. G. Allis, formerly President of the First National Bank, Little Rock, Ark., which failed in 1894, was recently released from the Kings County Penitentiary, Brooklyn, where he was serving a five years' term for violating the banking laws. A pardon was granted him by the President.

—The Chase National Bank is now reported as the principal New York correspondent of the banking department of the United States Trust Co., Baltimore.

—Vermilye & Co. and Kuhn, Loeb & Co. recently paid $10,647,351 for the new issue of New York city 3½ per cent. bonds.

—Late additional deposits of gold in the clearing-house vaults bring the total amount up to $55,785,000.

—Edward R. Thomas, son of Gen. Samuel Thomas, and Edwin M. Post have formed a partnership to transact a general banking and brokerage business, with offices at 7 Wall street. Mr. Thomas is a member of the Stock Exchange.

—The Audit Company has been organized to do a general accounting and examination business. Thos. L. Greene, Auditor of the Manhattan Trust Company, is the General Manager. Its directory is composed of men of very high financial standing.

—Frank C. Mayhew, formerly Cashier of the Bowery Bank, has been elected President to succeed William E. Clarke.

—E. R. Carter, sentenced in 1895 to six and one-half years' imprisonment for embezzling $30,000 from a New York bank, was recently pardoned by President McKinley.

NEW ENGLAND STATES.

Local Bonds Purchased.—The town of Ridgefield, Conn., has awarded the $25,000 3½ per cent. twenty to thirty year funding coupon gold bonds to the City Savings Bank of Meriden at 100.133, and $10,000 to the Ridgefield Savings Bank.

Hartford, Conn.—At a meeting of the stockholders of the Mercantile National Bank, on July 20, it was unanimously voted to place the bank in liquidation on August 2, and action to that effect has been taken. The bank was organized in 1854.

College President Resigns.—E. Benjamin Andrews, President of Brown University, and a distinguished advocate of bimetallism, has resigned owing to dissatisfaction with his views on the silver question on the part of the trustees of the University. His resignation has caused wide discussion.

Boston. -A banquet was given by the merchants and bankers of the city on July 27, the principal guest being Hon. Lyman J. Gage, Secretary of the Treasury. In his address Secretary Gage said that under present conditions there was no pressing need for haste in regard to financial legislation; he thought that in due time Congress would enact such legislation as the business interests desired, but a concentration of public opinion in regard to what legislation is necessary was an essential preliminary to such legislation.

MIDDLE STATES.

Philadelphia.—In the brief biographical sketch of Mr. R. H. Rushton, published on page 71 of the July MAGAZINE, in stating that he had been Cashier of the Fourth Street National Bank from its organization, the fact should have been stated that in May, 1896, he was elected Vice-President, continuing also to hold the position of Cashier.

— The Equitable Trust Co. has removed from 624 Chestnut street to its new offices in the Betz Building, Broad street, above Chestnut.

New Bank in Maryland.—A certificate of incorporation has been granted to the Miners and Merchants' Bank, of Lonaconing, Md.; capital stock, $50,000.

New National Bank.—The People's National Bank, Waynesburg, Pa., has completed its organization and will open for business on September 1.

Pennsylvania Bankers Meet.—A meeting of Group III of the Pennsylvania Bankers' Association was held at Wilkes-Barre, July 21, about fifty banks being represented.

Jersey City, N. J.—The Bergen Trust Company is being organized in this city with $100,000 capital.

—The People's Safe Deposit and Trust Co., organized a little more than a year ago with $100,000 capital, has completed and now occupies its new building at Central Avenue and Hutton St. Its deposits are about $500,000.

Bank Capital Reduced.—The First National Bank, of Dover, Del., whose absconding teller, William N. Boggs, is a defaulter to the amount of $107,000, has reduced its capital from $100,000 to $50,000.

Bankers in Convention.—The business session of groups VIII and IX of the Pennsylvania Bankers' Association, was held at Cresson, July 25. T. P. Day acted as chairman. An address of welcome was delivered by Alvin Evans, of Ebensburg. C. F. Dean, of Pittsburg, delivered an address on "General Banking Laws and Kindred Subjects." S. M. Bailey, of Pittsburg, talked on "Warehouse Storage Receipts as Collateral," and Congressman Hicks delivered an address on the "National Currency Question." One hundred and ten members of the association were present. S. R. Shumaker of Huntingdon is chairman and D. S. Kloss of Tyrone, secretary of Group VI; Charles McKnight of Pittsburg is chairman and R. J. Stoney, Jr., of Pittsburg secretary of Group VIII.

New York Savings Banks.—The report of Superintendent Kilburn, on the condition of the Savings banks in the State of New York for the year ending June 30, shows increases in the total resources, the amount of money due depositors and in the amount of surplus funds.

The statistics compared with those of last year are: Total resources, $839,671,920; increase, $32,920,473; amount due depositors, $741,474,845; increase, $26,441,946; decrease, $47,380; surplus fund, $97,833,777; increase, $6,526,406; number of open accounts close of year, 1,768,417; increase, 36,065; number of accounts opened during year, 324,207; decrease, 21,309; amount of money deposited, $207,435,501; decrease, $8,055,057; amount of money withdrawn, $206,871,957; increase, $12,218,563; increase credited, $25,881,082; increase, $922,304. The decrease in the amount deposited and increase in the amount withdrawn are probably due to the apprehension prevailing in the last half of 1896, and the uncertainty in regard to the national election.

Examination of Depositors' Accounts.—A valued correspondent at Philadelphia sends to the MAGAZINE the following: "A curious thing occurred a few days ago in Dover, Del., where it is reported that a person acquired stock in a bank and then demanded the right to examine the depositors' accounts, which was conceded to him by the officers of the bank, when he proceeded to make such an examination. In my forty years' experience in banking I never heard of such a thing being done. Banks here would not permit even a director, unless an officer, to individually inspect the running or cash account of any other person with the bank, and I think most of them have by-laws to that effect.

I think it is generally held that a bank has no more right to thus violate the confidence reposed in it by a depos tor than a lawyer would have the right to violate the confidence reposed in him by a client, a physician that reposed in him by a patient, or a clergyman that reposed in him by a member of his parish."

Bank Cashier Acquitted.—The jury in the U. S. Court at Baltimore recently acquitted Assistant Cashier Edward Hoffman, on three indictments charging him with making false entries and with misappropriating the funds of the People's National Bank of Hagerstown, Md. On the fourth indictment, charging him with false entry of a $12,000 check, the jury disagreed.

New York Trust Companies.—The total resources of the trust companies of the State on July 1 were $443,465,620, an increase over the corresponding period last year of $46,548,382. Profits during the year, $17,338,008; interest credited depositors, $6,519,960; expenses, $2,882,-344; dividends declared, $3,895,915; taxes paid, $327,541.

Directors not Responsible.—In the case recently pending against the directors of the Murray Hill Bank, of New York, wherein it was sought to hold them responsible for deposits made while the bank was insolvent, the court decided that the directors were not cognizant of such insolvency.

SOUTHERN STATES.

Atlanta, Ga.—At the recent semi-annual dividend period the banks of this city made a very satisfactory exhibit of their earnings for the past half-year. They disbursed about $100,000 in dividends besides making considerable additions to surplus.

Privilege Tax on National Banks.—Recent efforts to impose a privilege tax on National banks in Tennessee led to an investigation of the subject by the Tennessee Bankers' Association, which publishes the following decision of the Supreme Court of Tennessee in the case of First National Bank of Chattanooga *vs.* Mayor and Aldermen of Chattanooga, (8 Heiskell, 814): "To constitute a privilege, the occupation or business transactions must be such that the Legislature could forbid it to be pursued, and which could only be pursued or done under license issued by the authority of the State. The National banks are authorized to pursue their banking business by virtue of Acts of Congress. As the Legislature has no power to prohibit the exercise of the privilege so conferred by Congress, it would seem clear that it was not in their contemplation to include National banks among the privileges to be taxed. It follows that the corporate authorities of Chattanooga had no power to tax the First National Bank as a privilege."

WESTERN STATES

Kansas City, Mo.—The Concordia Loan and Trust Co., which is liquidating the affairs of the Lombard Investment Co., has been reorganized with $100,000 capital and ex-Secretary of the Treasury Charles S. Fairchild as President.

—The National Bank of Commerce has absorbed the Midland National Bank, the consolidation having received the approval of the Comptroller of the Currency. By this move the National Bank of Commerce becomes one of the very large bank institutions of the West, its total resources aggregating over $13,000,000, and its demand deposits, $11,648,179.

Denver, Colo.—On July 6 the deposits in the First National Bank reached $10,046,000—the largest in the history of this well-known and prosperous institution.

—The recent gold mining convention here was thoroughly successful. A motion to favor free coinage at 16 to 1 was overwhelmingly tabled.

Loans Being Paid.—Reports from Nebraska indicate that farm loans are rapidly being paid off, one estimate stating that the reduction of this kind of indebtedness in Nebraska alone for the past six months amounts to $28,000,000.

Peoria (Ill.) Banks Unite.—The Merchants' National Bank, of Peoria, Ill., has absorbed the business of the Bank of Commerce, of that city. This consolidation, like many others that have taken place recently in the larger cities, is in the line of greater economy in bank management. The Merchants' National was already a very strong institution and its prestige will be still further increased by the added business resulting from the consolidation.

Des Moines, Iowa.—On July 20 the Polk County Savings Bank transferred its business to the Des Moines National Bank, having effected a consolidation with that institution. The Polk County Savings Bank had done business for fifteen years, paying 116 per cent. in dividends in that time. By the consolidation the Des Moines National gains nearly $200,000 in deposits, and further adds to the reputation it has gained under the management of President George M. Reynolds.

Louisville, Ky.—Stockholders of the Third National Bank voted unanimously on June 17 to reduce the capital from $400,000 to $300,000, leaving the present surplus of $80,000 undisturbed.

— The bankers of this city have arranged for a special train of Pullman sleepers to take them to the convention of the American Bankers' Association, the train leaving Louisville on the evening of August 16. John H. Leathers, President of the Kentucky Bankers' Association, and Isham Bridges, Manager of the Louisville Clearing-House, have sent out a general invitation to southern bankers to join the party.

— The stockholders of the Bank of Louisville have ratified the proposal to reduce the capital from $650,000 to $390,000.

Chicago.—A meeting of the stockholders of the Prairie State National Bank will be held August 12 to vote on the advisability of consolidating with the Prairie State Savings and Trust Co. It is probable that the consolidation will be effected and that the National bank will go into liquidation. The two institutions are closely allied. There are rumors of several other impending bank consolidations in the city.

Kansas Bank Organized.—The Valley State Bank, of Belleplaine, Kansas, has been chartered with $5,000 capital.

New Bank in Colorado.—The Weld County Bank was recently opened for business at New Windsor, Colo.

New Kansas Banks.—The Farmers' State Bank, of Oberlin, Kansas, has been incorporated with $10,000 capital.

—Hicks, Gephart & Co. have incorporated at Valley Falls, Kans., as the Citizens' State Bank with $20,000 capital.

Cincinnati, Ohio.—The Fifth National Bank has reduced its capital from $500,000 to $300,000. By the operation the bank has cleaned up all its bad and doubtful assets, and is now on a satisfactory basis.

PACIFIC SLOPE.

Bank Assets Sold.—By direction of the Comptroller of the Currency the Receiver of the Oregon National Bank, Portland, recently sold at public auction the remaining assets and property of the defunct bank. The total face value of the notes and other assets was about $70,000, and they brought $47.75.

Missing Banker Found.—Anton Pfanner, the banker of Forest Grove, Ore., who disappeared recently, has been located in a hospital in Victoria, B. C., suffering from nervous prostration. His affairs are said to be in a solvent condition.

San Francisco.—Large deposits of gold are being made at the mint here from the mines in the Klondike region. On August 4 the deposits reached $3,750,000—the largest ever recorded.

Washington Wheat Crop.—A great harvest of wheat is reported in central and eastern Washington. Conservative estimates place the yield at 18,000,000 bushels, while others place it as high as 22,000,000, and the average per acre at about thirty bushels. The prevailing price is 75 cents a bushel, or 50 cents net profit to the farmer, and a grand total of between nine and eleven million dollars for the farming community of eastern and central Washington, enough to pay their debts and leave them a handsome surplus.

CANADA.

Proposed Bank Consolidation.—It is reported that a movement is under way for consolidating the Merchants' Bank of Canada, the Bank of Nova Scotia and the Bank of British Columbia, to form an institution capable of competing on more equal terms with the Bank of Montreal. Should the proposed amalgamation be consummated, it will result in a powerful institution with about $10,000,000 capital, which will, however, still be about $2,000,000 less than that of the Bank of Montreal.

Summary of Kansas Bank Statements.

The following interesting comparative statements of condition of the State and private banks of Kansas is furnished the MAGAZINE through the coursesy of State Bank Commissioner John W. Breidenthal.

	272 State, June 21, 1897.	*284 State, June 1, 1896.*	*101 private, June 21, 1897.*	*111 private, June 1, 1896.*
Loans	$12,408,265	$13,042,698	$3,225,941	$3,412,618
Overdrafts	122,507	179,998	82,346	78,643
Real estate	1,461,830	1,535,320	496,098	569,878
Furniture and fixtures	221,883	278,564	74,643	95,096
Cash and sight exchange	5,991,793	4,261,163	1,969,411	1,456,395
Deposits	13,977,023	11,434,145	4,073,407	3,589,843
Borrowed money	224,330	577,574	42,934	97,336

	373 State and private, 1897.	*395 State and private, 1896.*	*Decrease and increase.*	
Loans	$15,634,206	$16,455,311	Decrease,	$821,105
Overdrafts	204,853	258,642	"	53,789
Real estate	1,957,928	2,105,199	"	147,271
Furniture and fixtures	296,526	373,660	"	77,134
Cash and sight exchange	7,961,204	5,717,558	Increase,	2,213,646
Deposits	18,050,430	15,220,107	"	2,830,323
Borrowed money	267,284	674,910	Decrease,	407,626

YEAR.	*Loans.*	*Deposits.*	*Borrowed money.*	*Over-drafts.*
1892	$20,335,341	$18,445,945	$1,381,725	$524,378
1893	21,574,870	19,219,426	1,242,692	545,351
1894	17,340,748	16,755,870	769,057	292,826
1895	17,805,514	16,587,435	687,695	273,122
1896	16,455,311	15,220,108	674,910	258,642
1897	15,634,206	18,050,430	267,284	204,853

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Arkansas.—On July 23 the Bank of Mammoth Spring suspended on account of heavy withdrawals. Deposit liabilities are said to be about $25,000.

Connecticut.—The Mercantile National Bank, of Hartford, went into voluntary liquidation August 2, having ample funds to pay all creditors.

Georgia—ATLANTA.—The Merchants' Bank made a payment of ten per cent. to depositors on August 2. This was the third payment, making a total of forty per cent. The payments will continue at intervals of three months until May, 1898, when the entire liabilities will be paid.

Iowa.—The Receiver of the Sioux City Savings Bank recently received $28,000 from the bank directors. It was alleged the institution lost that much by the speculations of the absconding Cashier, Edward P. Stone, rendered possible by the directors' carelessness. The payment releases them from liability. It is also agreed the indictments against Stone for forgery and fraudulent banking shall be quashed. The payment makes possible the declaration of a thirty-three per cent. dividend to creditors.

Kentucky.—Receiver Cabell recently sold the entire assets of the People's Bank, of Middlesboro, consisting of notes, judgments and overdrafts of the nominal value of more than $20,000. They were sold for less than ten per cent. of their face value. A large number of the notes were given by parties reported to be wealthy, and will probably prove paying investments.

Missouri—KANSAS CITY.—It is reported that an assessment of 100 per cent. will be levied on the stockholders of the failed Missouri National Bank to pay off claims against the bank.

Montana.—On July 27 the Merchants and Miners' National Bank, Philipsburg, suspended. The bank had been doing business since 1892 and had $50,000 capital.

Nebraska.—On July 14 the Comptroller of the Currency was advised of the failure of the Nebraska National Bank of York. Capital was $50,000 and demand deposits about $26,700.

New York—NEW YORK CITY.—Decker, Howell & Co., one of the oldest of Stock Exchange firms, suspended July 13. The failure was not wholly unexpected. The firm had been one of the largest houses in the business, but since its failure in the Baring panic in 1890 it has not been a large factor in Wall street. The failure of 1890 involved more than $12,000,000. The present liabilities amount to not more than $20,000 or $25,000, according to general opinion. The immediate cause of the failure was the sharp rise in sugar certificates.

North Carolina.—The First National Bank, of Asheville, closed July 31. A notice was posted on the door stating that the bank would go into voluntary liquidation. The last statement, made on May 14, showed: Loans and discounts, $306,267.94; overdrafts, $10,328; deposits, $76,859; capital stock, $100,000; surplus, $20,000.

Better Times Are Here.—In vain the spyglass of the shallow pessimist sweeps the financial horizon in quest of a portent of disaster. Everywhere good auguries swim into his ken. There are no bad signs.

The sunburst from the distant Klondike radiates a golden glory that deepens as it traverses our immense fields of yellowing wheat. The rolling wheel and the laden car give a pleasing and unwonted aspect to returns of railroad earnings. Money is flowing into the pockets of the people, who put it out to pay off debts and make purchases long deferred by hard times.

There is new courage and plenty of cash. A promoter might go into a Wall Street business office with a prospectus without being guyed.

The benignant planets of the business heavens are in conjunction and foretell prosperity. By a unanimous vote want of confidence has been exiled from the country. In their rejoicing that the Tariff bill is settled and out of the way the people ignore the faults of the measure. The President has proposed a plan for taking up the problem of the currency. Our burden of sorrows has been lifted, the gloom that possessed our minds is dispelled.

There is nothing in sight but good times and plenty of business.—*New York Times.*

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5079—Paris National Bank, Paris, Texas. Capital, $100,000.
5080—First National Bank, Vandegrift, Pennsylvania. Capital, $50,000.
5081—National Bank of Decorah, Decorah, Iowa. Capital, $50,000.
5082—National Exchange Bank, Springfield, Missouri. Capital, $100,000.
5083—Vinita National Bank, Vinita, Indian Territory. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

People's National Bank, Waynesburg, Pa.; by Tim Ross, *et al.*
Farmers' National Bank, Vinton, Iowa; by C. O. Harrington, *et al.*
Homestead National Bank, Homestead, Pa.; by John Purman, *et al.*
First National Bank, Crestline, Ohio; by Dan Babst, Jr., *et al.*
Seguin National Bank, Seguin, Texas; by Charles E. Tips, *et al.*
National Bank of Shawnee, Shawnee, Okla.; by J. H. Maxey, *et al.*
National Bank of Seneca, Seneca, Kansas; by J. E. Taylor, *et al.*

NEW BANKS, BANKERS, ETC.

ALABAMA.

CENTERVILLE—Bibb County Banking and Trust Co.; capital, $25,000; Pres., J. D. Wadsworth; Vice-Pres., M. C. Schoolar; Cas., J. P. Kennedy.

MONTEVALLO—Shelby County Bank; Pres., William Walker; Cas., B. Little.

COLORADO.

NEW WINDSOR—Weld County Bank; Pres., T. R. Brooks; Cas., F. E. Bonifield.

GEORGIA.

TALLAPOOSA—Citizens' Bank (F. J. Bacon & Co.)

ILLINOIS.

BENTON—Benton State Bank; (successor to Exchange Bank); capital, $30,000.

CHICAGO—W. R. Hennig & Co.

DEER CREEK—Louis A. Buchner & Co. (successors to Deer Creek Bank).

LAWRENCEVILLE—Bank of Lawrenceville (successor to Lawrenceville Bank); Pres., J. A. Miller; Cas., F. W. Keller; Asst. Cas., W. S. Titus.

NAPERVILLE—Reuss State Bank; (successor to Bank of Geo. Reuss); capital, $25,000; Pres., Geo. Reuss; Vice-Pres., I. N. Murray; Cas., V. A. Dieter; Asst. Cas., J. A. Reuss.

INDIAN TERRITORY.

VINITA—Vinita National Bank; capital, $50,000: Pres., William Little, Cas., Davis Hill.

IOWA.

DECORAH—National Bank of Decorah; capital, $50,000; Pres., L. B. Whitney; Cas., H. C. Hjerleid.

EMMETSBURG—Farmers' Savings Bank; capital, $25,000; Pres., E. S. Ormsby; Cas., O. W. Hodgkinson.

GARDEN GROVE—Mark M. Shaw.

LOVILLA—T. B. McDonald.

MAXWELL—Security Bank; capital, $15,000; Pres., I. G. Dewel; Cas., N. L. Gridley; Asst. Cas., W. C. Dewel.

OTTOSEN—E. I. Stanhope & Co.; Exchange & Collections.

KANSAS.

BELLEPLAINE—Valley State Bank; capital, $5,000.

OBERLIN—Farmers' State Bank; capital, $10,000.

ST. JOHN—St. John Trust Co.; capital, $50,000; Pres., Geo. H. Burr; Sec. & Treas., Howard Grey.

ST. PAUL—Wm. May & Co., Collection Agents.

YATES CENTER—State Savings Bank; Cas., E. A. Runyon.

KENTUCKY.

EDMONTON—People's Bank of Metcalfe Co.; Cas., C. W. Thompson.

MAINE.

LEWISTON— Lewiston Trust & Safe Deposit Co.; Pres., E. F. Scruton; Vice-Pres., Jno. F. Lamb.

MARYLAND.

LONACONING—Merchants and Miners' Bank; capital, $50,000; Pres., Clarence Hodson.

MASSACHUSETTS

BOSTON—Sumner Savings Bank; Pres., F. C. Wood; Vice-Pres., Henry D. Huggan.
——Bright, Sears & Co., Exchange Building.

LOWELL—Price, McCormick & Co.; Chas. H. Woodward, Mgr.

MICHIGAN.

STANDISH—Standish Bank of J. A. Forsyth; capital, $3,150; Pres., Alex. Forsyth; Cas., E. R. Robinson.

ST. LOUIS—Gratiot County State Bank (successor to First National Bank).

MINNESOTA.

BELVIEW—Bank of Belview; capital, $10,000; Pres., W. H. Gold; Vice-Pres., H. N. Stabeck; Cas., W. H. Wallace.

COTTONWOOD—Cottonwood State Bank; Pres., C. S. Orwoll; Vice-Pres., O. S. Reishus; Cas., A. Anderson.

WATKINS—Watkins State Bank; capital, $10,000.

MISSISSIPPI.

BALDWYN—Bank of Baldwyn; Pres., L. C. Prather; Vice-Presidents, B. H. Dillard and John Rowan; Cas., J. C. Jones.

MISSOURI.

COFFEYBURG—Bank of Coffeyburg; Pres., Jno. M. Ellis; Vice-Pres., B. A. Prichard; Cas., Ed. M. Crossman.

HARTVILLE—Bank of Hartville; capital, $10,000; Pres., F. M. Mansfield; Vice-Pres., J. Oliver; Cas., J. H. Simmons.

LACLEDE—Farmers' Bank; capital, $5,000; Pres., T. E. Foreman; Cas., O. C. Macy.

POPLAR BLUFF—Butler County Bank; Pres., J. S. Lapsley; Vice-Pres., J. L. Pace; Cas., Will Lacks.

SPRINGFIELD—National Exchange Bank (successor to Exchange Bank); capital, $100,000; Pres., Jas. E. Keet; Cas., Edward L. Sanford.

WENTZVILLE—Citizens' Bank; capital, $6,000; Mgr., A. F. Brown; Cas., Jno. C. Brown.

NEBRASKA.

DE WITT—State Bank of De Witt (successor to De Witt State Bank); capital, $15,000; Pres., T. H. Miller; Vice-Pres., C. B. Anderson; Cas., E. E. Butler; Asst. Cas., C. W. Ribble.

OGALLALA—Exchange Bank (J. W. Welpton); removed from Grant; capital, $5,000; Asst. Cas., Olivia Welpton.

NEW JERSEY.

JERSEY CITY—Bergen Trust Co.; capital stock, $100,000.

SOUTH ORANGE—People's Bank (Branch) E. C. Babcock, Mgr.

NEW YORK.

NEW YORK CITY—Pfaelzer, Walker & Co., 16 Broad Street.——Thomas & Post, 7 Wall St.

NORTH CAROLINA.

MURPHY—Murphy Savings Bank; capital, $10,000.

NORTH DAKOTA.

WALHALLA—Bank of Walhalla; Pres., H. L. Holmes.

OHIO.

CLEVELAND—People's Safe Deposit & Sav. Bank Co.; capital, $50,000.

PEMBERVILLE—Citizens' Savings Bank; capital, $25,000.

OREGON.

LEBANON—Bank of Lebanon (J. W. Carty.)

PENNSYLVANIA.

VANDEGRIFT—First National Bank: capital, $50,000; Pres., J. S. Whitworth; Vice-Pres., Geo. Mercer, Jr.; Cas., W. A. Kennedy.

TEXAS.

ELCAMPO—Elcampo Bank (P. Funkhouser.)

PARIS—Paris National Bank; capital, $100,000; Pres., R. F. Scott; Cas., H. A. Clement.

VIRGINIA.

BERKLEY—R. W. Brooks.

EMPORIA—Bank of Greenesville; Pres., W. S. Goodwyn; Vice-Pres., B. W. Wyche; Cas., E. E. Goodwyn.

HAMPTON—Phoebus Loan & Trust Co.; F. M. Phoebus, Cashier and owner.

WASHINGTON.

ELLENSBURG—Bank of Ellensburg; capital, $25,000; Pres., H. C. Barroll; Cas., W. E. Bell.

WEST VIRGINIA.

CAIRO—Bank of Cairo; capital, $100,000.

GRAFTON—Grafton Bank; Pres., Jno. Sheridan; Vice-Pres., T. E. Cole; Cas., C. R. Durbin; Asst. Cas., H. W. Chadduck.

WISCONSIN.

MERRILL—Lincoln County Bank; Pres., A. H. Stange; Cas., R. J. Collie.

CANADA.

ONTARIO.

GRAVENHURST—W. T. Hamer & Co.

ZURICH—MacArthur & Co.

MANITOBA.

GLENBORO—Union Bank of Canada; F. W. Young, Mgr.

TREHUNE—R. S. Alexander & Co.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARKANSAS.

SEARCY—People's Bank; Edwin A. Robbins, Pres. in place of W. H. Lightle.

CALIFORNIA.

SALINAS—First National Bank; John L. Matthews, Vice-Pres.

SAN FRANCISCO—Crocker-Woolworth National Bank; Charles F. Crocker, director, deceased.

COLORADO.

CANON CITY—First National Bank; N. C. Craven, Cash.; no Asst. Cas. in place of N. C. Craven.

TELLURIDE—First National Bank; L. L. Nunn, Pres. in place of Wm. Story; S. A. Bailey, Vice-Pres. in place of L. L. Nunn; A. M. Wrench, Cas. in place of J. E. Brown; J. M. Jardine, Asst. Cas.

CONNECTICUT.

BRISTOL—Bristol Savings Bank; Hobart A. Warner, Pres.

DANBURY — Union Savings Bank; C. D. Ryder, Sec. and Treas. in place of Levi P. Treadwell, resigned.

MIDDLETOWN — Farmers and Mechanics' Bank; Samuel T. Camp, Pres. in place of John M. Douglas.

SOUTHINGTON—Southington Savings Bank; W. S. Plumb, Pres. deceased.

WESTPORT—First National Bank: W. H. Saxton, Vice-Pres. in place of B. L. Woodworth.

DELAWARE.

DOVER — First National Bank; capital reduced to $50,000.

IDAHO.

GENESEE — First Bank; Ralston Vollmer, Cas. in place of Thomas H. Brewer, resigned.

ILLINOIS.

ASSUMPTION—Illinois State Bank (successor to Bank of Assumption); capital $25,000; Pres. and Cas., B. F. Hight; Vice-Pres., D. Lacharite; Asst. Cas., J. A. Lacharite.

CHICAGO—Prairie State Savings and Trust Co. and Prairie State National Bank; reported consolidated under title of Prairie State Bank.——Canadian Bank of Commerce; H. B. Walker, agent.

MENDOTA—First National Bank; John R. Woods, Pres. in place of E. A. Bowen.

OREGON—First National Bank: Geo. A. Mix, Pres. in place of Isaac Rice, deceased; no Vice-Pres. in place of Geo. A. Mix.

PEORIA—Bank of Commerce and Merchants' National Bank; consolidated under latter title; Homer W. McCoy, Second Vice-Pres.; also director in place of J. D. McClure.

TALLULA—Wilson & Greene; titled changed to Greene & Greene.

INDIANA.

WASHINGTON—People's National Bank: M. F. Burke, Pres. in place of Hugh Barr, deceased.

WATERLOO — Citizens' Bank; H. K. Leas, Pres. in place of John Leas, deceased.

IOWA.

BELLE PLAINE—Citizens' National Bank; Charles A. Blossom, Pres. in place of E. E. Hughes; S. P. Van Dike, Cas. in place of Charles A. Blossom; no Asst. Cas. in place of S. P. Van Dike.

DES MOINES—Polk County Savings Bank; consolidated with Des Moines National Bank under latter title; A. J. Zwart, Asst. Cas.

EMMETSBURG—First National Bank; E. B. Soper, Pres. in place of E. S. Ormsby.

TIPTON—First National Bank; Charles P. Carl, Asst. Cas. in place of N. M. Moore.

KANSAS.

EUREKA—First National Bank; C. A. Leedy, Vice.-Pres. in place of J. J. Durkee.

HOWARD—First National Bank; T. M. Carter, Vice-Pres. in place of W. M. Crooks.

VALLEY FALLS—Citizens' State Bank; (successor to Hicks, Gephart & Co.) J. T. B. Gephart, Pres.; Jno. C. Coen, Cas.

WELLINGTON—Wellington National Bank; W. W. Hagen, Cas. in place of Wm. H. Burks; no Asst. Cas. in place of W. W. Hagen.

KENTUCKY.

HARRODSBURG—First National Bank; C. D. Thompson, Cas., in place of H. C. Bohon, deceased.

LOUISVILLE—Bank of Louisville; capital reduced to $390,000.

MAYSVILLE—First National Bank; Samuel A. Pope, Pres., deceased.

MORGANFIELD—People's Bank; Martin Scott, Cas., in place of W. M. Morgan, resigned.

UNIONTOWN—Bank of Uniontown; succeeded by Pike, Morgan & Co.; capital, $70,000.

LOUISIANA.

NEW ORLEANS—Metropolitan Bank; Philip W. Dielmann, director, deceased.

SHREVEPORT—First National Bank; Wm. J. Bayersdorffer, Cas., in place of W. S. Penick, Jr.

MAINE.

ELLSWORTH — Hancock County Savings Bank; James F. Davis, Pres., deceased.

MARYLAND.

BALTIMORE—National Howard Bank; Robert Austrian, director, deceased.——Citizens' National Bank; Henry James, Pres., deceased.

MASSACHUSETTS.

BOSTON—North National Bank; W. S. B. Stevens, Asst. Cas. from July 16, 1897, to August 5, 1897, with full powers of Cashier. ——South End National Bank; W. A. Tripp, Asst. Cas. *pro tem.* to act in the absence of the Cashier from July 15 to August 15, 1897, inclusive.——Fuller, Harding & Co.; title changed to Fuller, Blair & Co.——New England National Bank; A. C. Kollock, Actg. Cas., from July 15 to October 1, inclusive. ——National Webster Bank; J. A. Laforme, Vice-Pres.

BROCKTON—Brockton National Bank; Geo. E. Keith, Vice-Pres., in place of Wm. W. Cross, deceased.

CHELSEA—First National Bank; S. B. Hinckley, Pres., in place of Thomas Martin; no Vice-Pres. in place of S. B. Hinckley.

LOWELL — Merchants' National Bank; no Vice-Pres. in place of Sydney W. Thurlow, deceased.

YARMOUTH PORT—First National Bank of Yarmouth; Wm. J. Davis, Cas., in place of Wm. P. Davis; T. S. Crowell, Asst. Cas., in place of Wm. J. Davis.

MICHIGAN.

GRAND RAPIDS—Fifth National Bank; S. W. Sherman, Asst. Cas.

MARCELLUS—G. W. Jones Exchange Bank; incorporated as a State bank.

MINNESOTA.

FERGUS FALLS — First National Bank; no Asst. Cas. in place of A. G. Anderson.

FRAZEE—State Bank; Chas. W. Higley; Cas., L. W. Oberhauser.

MISSOURI.

CARTERVILLE—First National Bank; W. C. Birch, Asst. Cas.

DONIPHAN—Ripley County Bank; J. L. Dalton, Pres.; J. R. Wright, Vice-Pres.; Geo. A. Neal, Cas.

EXCELSIOR SPRINGS—Hunter Banking Co. and Clay Co. State Bank; consolidated under former title.

KANSAS CITY—National Bank of Commerce and Midland National Bank; consolidated under former title.

MAYSVILLE—Exchange Bank of De Kalb Co.; Pres., S. C. Woodson; Cas., E. A. Bunion.

ST. LOUIS — Merchants'-Laclede National Bank; D. R. Francis, Vice-Pres., in place of James E. Yeatman; A. L. Shapleigh, 2d Vice-Pres., in place of D. R. Francis.

NEBRASKA.

WISNER—First National Bank; J. R. Mansfield, Pres., in place of C. C. McNish.

NEW JERSEY.

NEWARK—State Banking Co.; Edward Schickhaus, Pres., deceased.

NEW YORK.

ALBANY—First National Bank; C. Tremper, Jr., Cas.; no Asst. Cas. in place of C. Tremper, Jr.

BROOKLYN—Mechanics' Bank and Brooklyn Safe Deposit Co.; Isaac Carhart, director, deceased.

ELLENVILLE—First National Bank; M. E. Clark, Pres. in place of Chas. Ver Nooy, deceased; F. B. Hoornbeek, Cas. in place of M. E. Clark.

FISHKILL-ON-THE-HUDSON — Mechanics' Savings Bank; William H. Aldrich, Vice-Pres., deceased.

GOUVERNEUR—Bank of Gouverneur; H. Sudds, Vice-Pres. in place of Wm. J. Averell, deceased; also Cas.

KINGSTON—National Bank of Rondout; C. M. Preston, Pres. in place of W. Hutton.

NEW YORK CITY—Third National Bank (in liquidation), J. F. Sweasy, Cas. in place of J. Chapin, Jr.; no. Asst. Cas. in place of J. F. Sweasy.——Franklin National Bank; J. H. Vandeventer, Cas. in place of Charles F. James; no. Asst. Cas. in place of J. H. Vandeventer.——Bowery Bank; Frank C. Mayhew, Pres. in place of Henry P. Degraaf, deceased.——Tradesmen's National Bank; David M. Look, elected director in place of John G. Zabriskie, resigned.——Benedict Brothers; dissolved.——Metropolitan Trust Co.: Thos. Hillhouse, Pres. deceased.——James G. King's Sons; business transferred to Baring, Magoun & Co.

SARANAC LAKE—Potter & Co.; business sold out to Adirondack National Bank.

NORTH DAKOTA.

MANDAN—First National Bank; A. J. Wake, Asst. Cas.

OHIO.

BRIDGEPORT—First Nat. Bank; Jos. B. Loe, Cas.: no Asst. Cas. in place of Jos. B. Loe.

CINCINNATI—Fifth National Bank; capital reduced from $00,000 to $300,000.

LIMA—First National Bank; Theo. D. Robb, Pres. in place of S. S. Wheeler.

OTTAWA—Cover & Bruon; succeeded by Andrew Bruon & Co.

TOLEDO—Holcomb National Bank; S. R. Maclaren, Pres. in place of O. A. Bostwick; Edwin Jacoby, Vice-Pres. in place of S. R. Maclaren.

UPPER SANDUSKY—Commercial Bank; John R. Layton, Pres. in place of T. E. Beery, resigned.

OKLAHOMA.

CHANDLER—Lincoln County Bank; succeeded by Lincoln Co. State Bank; capital, $9,000.

EL RENO—First National Bank; L. J. Stewart, Vice-Pres. in place of Robert Martin; F. M. Smith, Cas. in place of B. F. Still.

PAWNEE—Arkansas Valley Bank; Robert Chasteen, Cas. in place of Frank M. Thompson; E. L. Lemert, Asst. Cas.

PENNSYLVANIA.

DANVILLE—Danville National Bank; M. G. Youngman, Cashier in place of Geo. M. Gearhart; G. M. Gearhart, Asst. Cas.

McDONALD—People's National Bank; W. L. Scott, Cashier in place of A. J. McDonald: T. W. Frye, Asst. Cas. in place of J. T. Patterson.

PHILADELPHIA—Third National Bank; no Asst. Cas. in place of Edward C. Lilley.——Quaker City National Bank; W. D. Brelsford, Asst. Cas.——Equitable Trust Co.; removed to Betz Building.——Manayunk National Bank; John J. Foulkrod, Pres. in place of David Wallace, dec.; Leander M. Jones, Vice-Pres.; Edward H. Preston, Cas. in place of John J. Foulkrod.

PHOENIXVILLE—Nat. Bank of Phoenixville; L. B. Kaler, Pres. in place of P. G. Carey.

WELLSBORO—First National Bank and Wellsboro National Bank; reported consolidated under former title.

RHODE ISLAND

WICKFORD—Wickford National Bank; William Gregory, Vice-Pres. in place of Philo J. Thomas, deceased.

SOUTH CAROLINA.

COLUMBIA—Central National Bank; W. C. Wright, Pres. in place of Alexander N. Talley, deceased; no Vice-Pres. in place of W. C. Wright.

TEXAS.

BONHAM—First National Bank; W. A. Nunnelee, Pres., deceased.

DALLAS—National Bank of Dallas; Henry C. Coke, Vice Pres.

LUFKIN—Citizens' Bank; capital, $20,000; Pres., Jno. H. Snow; Cas., J. W. Craven; Asst. Cas., B. Frank Snow.

NAVASOTA—First National Bank; Walter L. Scott, Asst. Cas.

VERMONT.

NORTHFIELD—Northfield Savings Bank; Andrew E. Denny, Pres. and Treas.

VIRGINIA.

LURAY—Page Valley Bank of Va.; W. O. Yager, Pres. in place of J. V. Jamison, resigned.

ROANOKE—Fidelity Loan and Trust Co.; Thomas Lewis, Pres., William Welch, Vice-Pres.; W. F. Winch, Sec. and Treas.

CANADA.

ONTARIO.

ORILLIA—Tisdale & Wade; succeeded by W. B. Tisdale.

SEAFORTH—Canadian Bank of Commerce; F. C. G. Minty, Mgr. in place of M. Morris.

WALKERVILLE—Canadian Bank of Commerce; J. L. Harcourt, Mgr. in place of H. B. Walker.

WINDSOR—Canadian Bank of Commerce; J. L. Harcourt, Mgr. in place of H. B. Walker.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ARKANSAS.

MAMMOTH SPRING—Bank of Mammoth Spring.

COLORADO.

ALAMOSA—First National Bank; in voluntary liquidation by resolution of July 1.

CONNECTICUT.

HARTFORD—Mercantile National Bank; in voluntary liquidation.——F. R. Cordley & Co.

FLORIDA.

JACKSONVILLE—Merchants' National Bank; T. V. Porter, Receiver in place of E. T. Shubrick, resigned.

IOWA.

GOODELL—Merchants and Farmers' Bank.

KANSAS.

ST. JOHN—Commercial Bank.

KENTUCKY.

BRANDENBURGH—Meade County Deposit Bank; in voluntary liquidation.

MASSACHUSETTS.

LOWELL—F. R. Cordley & Co.

MISSOURI.

KANSAS CITY—Metropolitan National Bank; in voluntary liquidation by resolution of June 30.

MONTANA.

PHILLIPSBURG—Hyde & King.——Merchants and Miners' National Bank; in hands of Samuel A. Swiggett, Receiver, July 28.

NEBRASKA.

HEMINGFORD—Box Butte Bank.

YORK—Nebraska National Bank.

NEW YORK.

LYONS—J. V. D. Westfall.

NEW YORK CITY—Decker, Howell & Co.; assigned to A. Fisher, Jr.

NORTH CAROLINA.

ASHEVILLE—First National Bank; in voluntary liquidation.

PENNSYLVANIA.

ERIE—Keystone National Bank; in hands of Frank M. Hayes, Receiver, July 26.

TEXAS.

BLOSSOM—Exchange Bank.

MASON—First National Bank.

WASHINGTON.

ANACORTES—First National Bank; P. W. Strader, Receiver, in place of F. W. Hawkins, resigned.

MONTESANO—Bank of Montesano; in hands of L. B. Bignold, Receiver.

Have the True Ring.—The resolutions adopted by the bankers of New York State at their annual convention in Saratoga have the true ring. They do not mince matters or deal in roundabout phrases. They recommend the retirement of all Government paper and the substitution of a safe bank currency under governmental control. The time has gone by when there was anything to be gained by the policy of silence or of half measures on the part of the banks. At this time, when the politicians at Washington are eating their own words and shrinking from any reform whatever, firmness of tone is more than ever necessary on the part of those who understand the dangers of the present currency system. The New York bankers know that the policy of timidity never makes friends or accomplishes any good in this world. Hence they have spoken the truth with clearness and emphasis. For so doing they are entitled to the thanks of all intelligent men, whether Congress agrees with them or not.—*Evening Post* (New York, July 17).

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, August 4, 1897.

THE CONDITIONS THAT MAKE FOR PROSPERITY have, during the past month, so massed themselves that their aggressiveness has become indisputable. Once more a complete revolution has taken place both in influences and sentiment so sudden as to be almost inexplicable. It was Horace Greeley's contention that the way to resume is to resume, and the way to have good times seems to be just to have them. Still it is not mere sentiment this time, but a substantial fact that times have changed, nor is the change limited to the metes and bounds of Wall street, although there has been witnessed there a revived activity and an appreciation in values such as has not been often seen since the great bull era of 1878–1881 came to a close.

Of the favorable conditions that have arisen or developed during the past month, it is proper to mention first the passage of the tariff bill. After remaining in the Senate from March 31 until July 7, it passed with numerous amendments in the upper House on that date. On the following day the House voted not to concur and the bill went to a conference committee. The committee reported the bill on July 19 and the House passed it on the same day. The Senate, however, did not come to a vote on it until July 24, when it also passed the bill, and on the same day it was signed by the President and became a law. What effect the law will have upon the revenues of the Government it is for the future to determine, but the end of tariff agitation is of itself favorable to business.

On the day of the passage of the tariff bill the President sent a message to Congress recommending the creation of a currency commission to consider reforms in our currency system. The House responded by passing the Stone Currency Commission bill, which authorized the President to appoint a commission; the Senate, however, adjourned without taking any action. The message of the President, however, and the subsequent utterances of the Secretary of the Treasury give assurance that the Administration is disposed to exert all its influence towards securing a sound money system, and the effect of the message has been to strengthen confidence among those who view our present circulating medium as involving dangerous pitfalls.

With the tariff legislation out of the way and Congress adjourned, the country now has a chance to take advantage of the natural conditions which determine its prosperity. To the crop situation attention is naturally turned at this season of the year, and of this year even more than in most years. The prospect is fair for a wheat yield this year approximating 550,000,000 bushels, and which will exceed that of last year by probably not less than 100,000,000 bushels. This would not of itself be a favorable factor if the same conditions as to prices were to exist as have been prevailing in recent years. But there is a short supply abroad while the visible supply in this country is now only one-third of what it was a year ago. Again we have the same conditions as existed in 1879–1881, and they then swelled our wheat exports to an unprecedented volume. From 55,000,000 bushels in 1877 and 90,000,000 bushels in 1878 our wheat exports increased to 147,000,000 bushels in 1879, to 180,000,000 bushels in 1880 and to 186,000,000 bushels in 1881. In those years the average export price ranged from $1.08 to $1.40 per bushel. In 1892 our wheat exports reached 225,000,000 bushels, but in the last fiscal year they were only about 145,000,000 bushels.

The price of wheat has been advancing rapidly of late, justified by the relative supply and demand. Wheat is now about twenty cents per bushel more than it was a year ago, and there is again talk of "dollar wheat." The farm value of last year's wheat was 72.6 per bushel as compared with 50.9 cents in 1895-6 and 49.1 cents in 1894-5. A further increase of even ten cents per bushel in the farm value during the current crop year would mean at least $175,000,000 increase in returns to the wheat growers as compared with 1895 or 1896 from appreciation in price alone, without considering the increase in yield. There has also been some increase in the price of corn, while cotton has been advancing for some time. Good prices with fair to good crops will rapidly improve the condition of the American farmer.

The railroads in the grain-growing sections are already feeling the stimulus of the large wheat yield. The grain movement began nearly three weeks earlier than usual and the deliveries of grain at Chicago have been larger than at any previous time in four years. A car famine is already threatening, and not in years have the railroads had so fair a prospect for a large business as that which now confronts them.

Evidences of prosperity even in the States in the West which have been suffering most severely from low prices and bad times are now accumulating. In Nebraska it is estimated that $28,000,000 of mortgages have been paid off in the first six months in 1897. In Kansas the banks for the first time in their history report deposits in excess of loans.

The extraordinary advance in the prices of railroad securities which occurred in June, continued in July, although the pace was not so rapid. There has been considerable selling of American securities for London account, and it is believed that a short interest of no mean proportions has been created in the English market. It is not an unusual occurrence for London to sell during the first stages of a general recovery in our market, and this time there is the additional incentive of preventing gold imports to this country. This selling had some influence in causing exports of gold from New York late in the month, but only $4,500,000 went out. It is a moral certainty that before the close of the year there will be a heavy movement of gold this way, and if London has been selling our securities short, the future buying to cover will accentuate the movement.

With the increased earnings which the railroads are already beginning to report and the completion of the refunding operations which several of the principal railroads are proposing in order to replace old high interest-bearing bonds with new issues bearing a lower rate, foreign buying of American railroad securities is likely to increase, and gold will the more readily flow this way.

The Chicago and Northwestern Railroad is the latest to propose a refunding scheme. It contemplates the issue of $165,000,000 first mortgage $3\frac{1}{2}$ per cent. bonds to run ninety years, and to be issued from time to time as required to retire maturing bonds. On $18,000,000 which mature during the next five years the annual saving in interest will be about $600,000. The Chicago, Rock Island and Pacific has a similar plan under consideration it is understood, thus following the example of the Lake Shore and other companies which have taken advantage of the low rate prevailing for money in order to reduce their interest charges.

The cheapness of money is indicated in the successful sale of a block of $10,000,000 $3\frac{1}{2}$ per cent. bonds by the city of New York at 105.912, a price which makes the net yield about 3.13 per cent. per annum. The State of Kentucky also sold $500,000 ten year four per cent. bonds at a price which nets the buyers about $3\frac{1}{8}$ per cent.

Two events which occurred last month recalled the fierce struggle over the money question which raged last autumn; one the extraordinary decline in the price of silver, the other the generation of a great gold mining craze, due to the important gold discoveries in Alaska. The price of silver fell to 26⅝ pence per ounce sterling in London, on July 28, and to 57⅜ cents per ounce fine in New York, the lowest point ever touched. The previous low record was made on March 3, 1894, when the price was 27 pence in London and 58¾ cents in New York. The low price of last month made the value of the bullion in the silver dollar 44.47½ cents.

The Klondike gold discoveries have come into prominence in the past few weeks by reason of the large amounts of gold that have been brought into the United States from Alaska. While it has been known for a long time that large quantities of gold existed in that territory, it is only now that the Klondike has become a familiar name throughout the land. A new "gold craze" has sprung up and the history of 1849 seems to be repeating itself. What the future is to be it is not safe to predict yet, but if we are to witness another tremendous output of the precious metal, and this country is to be a gainer thereby, the effect upon American industries and enterprise is likely to be very great. The discovery of gold in California created a new epoch in the United States, and for a decade, or until the panic of 1857 swept the country, there was a "boom" in general business and industrial activity universally prevailed.

The increase in our foreign trade and the expansion in the currency which followed the gold discoveries in California were exceptional and marked the effect of an increase in our gold supply. Gold went out of the country then, but it was used to pay for merchandise imported, and while imports increased exports grew. While the supply of specie money increased there was also an enormous expansion in bank notes, and there was a mad race for wealth until over trading and speculation brought its necessary sequel in the shape of a widespread panic. The inflation period extended from 1849 to 1854, and its extent is indicated in the following table:

YEAR.	*Gold production in U. S.*	*Net exports.*	*Merchandise.*	*Merchandise.*	*Money in circulation.*	
		Gold.	Imports.	Exports.	Specie.	Bank notes.
1847............	$900,000	$1,000,000	$122,400,000	$156,700,000	$118,300,000	$105,500,000
1848............	10,000,000	11,100,000	148,600,000	138,200,000	103,900,000	128,500,000
1849............	40,000,000	2,000,000	141,200,000	140,400,000	117,800,000	114,700,000
1850............	50,000,000	4,600,000	173,500,000	144,400,000	147,400,000	131,400,000
1851............	55,000,000	22,800,000	210,800,000	188,900,000	175,100,000	155,200,000
1852............	60,000,000	40,100,000	207,400,000	167,000,000	190,300,000	171,700,000
1853............	65,000,000	25,400,000	263,800,000	203,500,000	214,000,000	188,200,000
1854............	60,000,000	40,500,000	297,800,000	237,000,000	220,900,000	204,700,000

The production of gold is stated for the calendar year, while the other figures in the above statement are for the fiscal year ending June 30. By 1857 the net exports of gold reached $65,000,000, the merchandise imports $348,000,000, merchandise exports $294,000,000, specie circulation, $242,000,000, and bank note circulation $214,000,000. In ten years merchandise imports increased 185 per cent., and exports 90 per cent., while the money in circulation increased 100 per cent. That similar results will follow another extensive increase in the gold supply, is hardly to be doubted, although they may not reach as great a magnitude.

The completed statistics of the foreign trade of the United States for the fiscal year ended June 30, 1897, show marvellous results. The exports of merchandise were the largest ever known, reaching nearly $1,052,000,000. Only twice before did the exports in any year equal $900,000,000; in 1881 when they were $902,000,000, and in 1892 when they were $1,030,000,000. The imports, which amounted to $764,000,000, were smaller than any previous year, but were larger than in any year prior to 1890. The net exports were $287,613,186, which exceeds the highest previous record made in 1879 by about $23,000,000 For the first time in nine years we gained gold by importation, nearly $44,700,000. In only two years, 1880 and 1881, has this record been beaten. The net exports of silver, including ore, were $31,400,-000, a slight decrease as compared with 1896, but beaten in only one other year, 1894. During the past seven years the net exports of merchandise and specie have been of extraordinary magnitude as the following table of net balances will show :

YEAR ENDED JUNE 30.	*Merchandise.*	*Gold.*	*Silver.*	*Total.*
1891	Exp., $39,564,614	Exp., $68,130,087	Exp., $4,564,108	Exp., $112,258,809
1892	" 202,875,686	" 495,873	" 12,855,478	" 216,227,032
1893	Imp., 18,735,728	" 87,506,463	" 17 544,067	" 86,314,802
1894	Exp., 237,145,950	" 4,528,942	" 37,164,718	" 278,839,605
1895	" 75,568,200	" 30,083,721	" 27,084,107	" 132,736,028
1896	" 102,882,264	" 78,884,882	" 31,764,484	" 213,531,630
1897	" 287,613,186	Imp., 44,653,795	" 31,418,411	" 274,372,802

In the past seven years the total net exports were $1,314,000,000, and in the past four years nearly $900,000,000. In the seven years we lost $225,000,000 gold by export.

NATIONAL BANKS OF THE UNITED STATES.—The tabulated statements of the National banks of the country as submitted to the Comptroller of the Currency showing their condition on May 14, 1897, give indication of increased activity in business. This is reflected by an increase of $37,000,000 in loans as compared with the amount reported on March 9, last, while individual deposits show an increase of $59,000,000. There has been a further reduction in capital invested in National banks, however, of more than $5,000,000, a decrease of $25,000,000 since 1895. Deposits are within $8,000,000 as much as they were two years ago. There has been a slight increase in the gold reserve of the banks since the last previous statement, and the amount is the largest reported in more than two years past. There has been little change in the holdings of silver, but a decrease of $12,000,000 in legal tenders. The following statement shows some of the principal items reported by the banks during the past two years :

CONDITION OF THE NATIONAL BANKS OF THE UNITED STATES.

	Capital.	*Surplus.*	*Individual deposits.*	*Gold.*	*Silver.*	*Legal tenders.*
May 7, 1895	$659,146,756	$246,740,237	$1,690,961,299	$177,264,386	$41,382,212	$145,459,159
July 11, 1895	658,224,179	247,782,176	1,736,022,006	171,217,437	43,209,757	168,515,172
Sept. 28, 1895	657,135,498	246,448,426	1,701,653,521	162,925,290	33,312,021	143,866,685
Dec. 13, 1895	656,956,245	246,177,563	1,720,550,241	168,244,430	38,467,979	130,649,423
Feb. 28, 1896	653,994,915	247,178,188	1,648,092,868	156,894,030	39,123,428	141,242,513
May 7, 1896	652,089,780	247,546,067	1,687,629,515	157,761,800	44,611,646	147,006,652
July 14, 1896	651,144,855	248,368,423	1,668,413,507	161,853,560	41,981,889	140,378,290
Oct. 6, 1896	648,540,325	247,690,075	1,597,891,058	160,723,890	40,084,742	142,334,730
Dec. 17, 1896	647,186,395	247,839,567	1,639,688,393	181,020,260	44,520,448	156,973,612
Mar. 9, 1897	642,424,195	247,130,031	1,669,219,961	188,304,755	45,644,107	186,332,852
May 14, 1897	637,002,395	246,736,684	1,728,083,971	190,396,251	45,680,131	174,144,992

THE MONEY MARKET.—The excessive supply of money keeps rates down to nominal figures. Money on call is still loaned at one per cent with some exceptional loans at as high as two per cent. Banks and trust companies find the outside competition to lend money so extensive that they cannot get more than one per cent. The demand for time money is very limited, and rates have declined ½ per cent. since a month ago. The offerings of commercial paper are only fair while the demand is moderate. At the close of the month call money ruled at 1 to 2 per cent, the average rate being about 1⅛ per cent. Time money on Stock Exchange collateral was quoted at 1½ per cent. for 60 days, 2 per cent. for 90 days, 2½ for four months, and 3 per cent. for five to seven months. For commercial paper the rates are 3½ per cent., for 60 to 90 days endorsed bills receivable, 3¾ @ 4 per cent. for first-class four to six months single names, and 4½ @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

Money Rates in New York City.

	Mar. 1.	April 1.	May 1.	June 1.	July 1.	Aug. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances........	1½–1¾	1½–2	1¼–1¾	1¼–1½	1 –2	1 –2
Call loans, banks and trust companies..............	1½–2	1½–2	1¼–2	1¼–1½	1 –2	1 –2
Brokers' loans on collateral, 30 to 60 days..............	2 —	2 —	2 —	2 —	2 —	1½—
Brokers' loans on collateral, 90 days to 4 months..............	2½–3	2½–3	2½—	2½—	2 –2½	2 –2½
Brokers' loans on collateral, 5 to 7 months..............	3 –3½	3½—	3 —	3 —	2½–3	3 —
Commercial paper, endorsed bills receivable, 60 to 90 days..............	3 —	3½—	3½—	3½—	3 –3¼	3½—
Commercial paper prime single names, 4 to 6 months..............	3½–4	3¾–4	3¾–4½	3¾–4½	3¼–4	3¾–4
Commercial paper, good single names, 4 to 6 months..............	4 –5	4 –5	4½–5½	4½–5	4 –4½	4½–5

European Banks.—The Bank of England lost $1,000,000 gold last month and the Bank of Germany $2,000,000, while the Bank of France gained $5,000,000, making $21,000,000 since January last, and the Bank of Austro-Hungary gained $5,000,000, making nearly $34,000,000 since January 1. The last-named bank has increased its gold holdings in the past twelve months nearly $50,000,000.

Gold and Silver in the European Banks.

	January 1, 1897.		July 1, 1897.		Aug. 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England............	£34,158,899	....	£36,880,503	....	£36,618,462	....
France..............	76,584,590	£49,130,797	79,715,480	£49,289,860	80,777,224	£49,802,583
Germany............	28,505,450	14,252,750	30,8.0,000	15,902,000	29,352,000	15,120,000
Austro-Hungary...	30,340,000	12,578,000	35,944,000	12,681,000	37,010,000	12,660,000
Spain...............	8,528,000	10,210,000	8,919,000	10,891,000	8,983,000	10,720,000
Netherlands........	2,634,000	6,841,000	2,631,000	7,087,000	2,632,000	6,943,000
Nat. Belgium.......	2,736,667	1,368,833	2,726,667	1,363,333	2,780,000	1,390,000
Totals...........	£183,487,606	£94,380,880	£197,686,650	£97,164,193	£198,152,686	£96,135,583

Foreign Exchange.—The sterling exchange market was quiet and rates remained unchanged until the latter half of the month, when they were advanced ¼ all around. There has been a steady demand for remittances on account of securities sold and for sugar and other imports which has absorbed the bills for exports of grain and provisions. The supply of bills will increase rapidly in September, and heavy imports of gold are looked for later in the year.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling.		Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
	60 days.	Sight.			
July 3...........	4.85¾ @ 4.86	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85¼ @ 4.85½	4.84¾ @ 4.85
" 10...........	4.86 @ 4.86¼	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85½ @ 4.85¾	4.85 @ 4.85¼
" 17...........	4.86 @ 4.86¼	4.87 @ 4.87¼	4.87¼ @ 4.87½	4.85½ @ 4.85¾	4.85 @ 4.85¼
" 24...........	4.86¼ @ 4.86½	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85¾ @ 4.86	4.85¼ @ 4.85½
" 31...........	4.86¼ @ 4.86½	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85¾ @ 4.86	4.85¼ @ 4.85½

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	April 1.	May 1.	June 1.	July 1.	Aug. 1.
Sterling Bankers—60 days	4.85¾— 6	4.86¼— ½	4.86 — ¼	4.85¾— 6	4.86¼— ½
" " Sight	4.87¼—	4.87½— ¾	4.87 — ¼	4.87 — ¾	4.87¼— ½
" " Cables	4.87¾—	4.87¾— 8	4.87¼— ½	4.87¼— ½	4.87½— ¾
" Commercial long	4.84¾— 5	4.85¾— 6	4.85 — ¼	4.85¼— ½	4.85¾— 6
" Docu'tary for paym't.	4.84½— 5	4.85¼— ½	4.84¾— 5¼	4.84¾— 5	4.85¼— ½
Paris—Cable transfers	5.15⅝—	5.14⅜—	5.15 — 4⅜	5.15 — 4⅜	5.15¼— 4⅜
" Bankers' 60 days	5.18⅛— 7½	5.16⅞— ¼	5.16⅞—	5.16⅞—	5.16⅞—
" Bankers' sight	5.16¼— 5⅝	5.15 1/16— 4⅜	5.15 1/16— 5	5.15 1/16— 5	5.15 —
Antwerp—Commercial 60 days.	5.20 —19⅜	5.19⅜— 8¾	5.19⅜— 8⅝	5.19⅜— 8¾	5.18¾—⅛
Swiss—Bankers' sight	5.18¾— ⅛	95⅝— ¾	5.17½— 6⅞	5.17½—	5.16¼—
Berlin—Bankers' 60 days	95 1/16— ⅛	5.18¾— ¾	95 1/16— ¼	95¼— 5/16	95 5/16— ⅜
" Bankers' sight	95 9/16— ⅝	95⅝— ¾	95 9/16— ⅝	95 11/16— ¾	95¾—
Brussels—Bankers' sight	5.16¼—	5.15⅝— 1/16	5.15⅝—	5.15⅝—	5.15⅝— 1/16
Amsterdam—Bankers' sight	40¼— 5/16	40⅜— 7/16	40 5/16— ⅜	40 5/16— ⅜	40⅜— 7/16
Kronors—Bankers' sight	27 —27 1/16	27 — 1/16	26 15/16— 27	27 — 1/16	27 — 1/16
Italian lire—sight	5.43¾— 1¼	5.42¾ —40¾	5.40⅝—37½	5.38⅛— 5½	5.40¼—37¼

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	Apr. 14, 1897.	May 12, 1897.	June 16, 1897.	July 14, 1897
Circulation (exc. b'k post bills)	£27,839,865	£27,409,295	£27,287,840	£28,046,305
Public deposits	10,945,120	10,188,734	11,260,076	7,138,815
Other deposits	38,817,957	39,446,125	38,936,166	43,795,055
Government securities	13,842,586	13,842,586	13,948,356	13,786,887
Other securities	28,451,585	28,052,106	28,230,650	29,714,229
Reserve of notes and coin	25,357,948	25,611,289	25,833,011	25,484,820
Coin and bullion	36,397,813	36,220,584	36,320,851	36,731,125
Reserve to liabilities	50¾%	51⅝%	51 5/16%	49⅞%
Bank rate of discount	2½%	2%	2%	2%
Market rate, 3 months' bills	1¾ @ 1¼%	⅞ @ 15/16%	15/16%	1 1/16%
Price of Consols (2¾ per cents.)	112 1/16	113⅜	112 11/16	112 11/16
Price of silver per ounce	28 7/16d.	27¾d.	27 9/16d.	27 9/16d.
Average price of wheat	27s. 10d.	28s. 4d.	27s. 4d.	27s. 4d.

MONEY RATES ABROAD.—No change has been made in the rates of discount by the leading banks abroad, the minimum rate of 2 per cent. still being quoted by the Bank of England and also by the Bank of France, while 3 per cent. is the ruling rate among the other continental banks. Discounts of 60 to 90 day bills in London at the close of the month were 13 16 of 1 per cent., a decline of 1-16 for the month. The open market rate at Paris was unchanged at 1⅞ per cent.; at Berlin 2⅜ per cent., a decline of ¼, and at Frankfort, 2⅜ per cent., a decline of ⅛.

MONEY RATES IN FOREIGN MARKETS.

	Feb. 12.	Mar. 19.	Apr. 16.	May. 14.	June 18.	July 16.
London—Bank rate of discount	3	3	2½	2	2	2
Market rates of discount:						
60 days bankers' drafts	1⅞	1⅝— ½	1¼	⅞	⅞	⅞
6 months bankers' drafts	1⅞	1½	1¼— 5/16	1⅛— ¼	1 3/16— ¼	1¼
Loans—Day to day	1½	1½	¾	½	½	½
Paris, open market rates	1¾	1¾	1¾	1¾	1¾	1¾
Berlin, "	2¾	3⅛	2⅜	2¼	2¾	2⅜
Hamburg, "	2¾	3⅛	2½	2¼	2¾	2⅜
Frankfort, "	2¾	3⅝	2½	2⅜	2⅞	2½
Amsterdam, "	2⅝	2	2½	2½	1⅞	2⅜
Vienna, "	3⅝	3⅝	3¾	3½	3½	3¼
St. Petersburg, "	5¾	5¼	5¾	5¾	5¾	5¾
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4	4	4	4½	4½	5

SILVER.—The price of silver in London fell last month to the lowest point ever recorded. The lowest previous price was 27d. per ounce in 1894. that price was reached again on July 27th last, and on the following day it fell to 26⅜d. There was a subsequent rise to 26 11-16d., but the final price for the month was 26⅝d., a net decline of 15-16d.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	1895.		1896.		1897.		MONTH.	1895.		1896.		1897.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 1/16	27 3/16	30 1/8	30 7/8	29 13/16	29 11/16	July......	30 5/8	30 1/4	31 5/8	31 3/8	27 11/16	26 3/8
February	27 11/16	27 1/4	31 3/16	30 3/4	29 3/4	29 11/16	August ..	30 3/16	30 1/4	31 5/8	30 5/8		
March....	30 1/4	27 5/8	31 11/16	31 1/8	29 5/8	28 3/16	Septemb'r	30 3/16	30 1/16	30 11/16	30		
April.....	30 7/8	29 7/8	31 3/16	30 13/16	28 1/8	28 3/16	October..	31 3/8	30 5/8	30 3/16	29 3/4		
May......	30 7/8	30 3/16	31 3/16	30 13/16	28 1/16	27 5/8	Novemb'r	31	30 5/8	30 3/16	29 3/4		
June.....	30 11/16	30 1/8	31 5/16	31 5/16	27 3/4	27 1/8	Decemb'r	30 11/16	30	30	29 11/16		

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars	$ .60	......	Twenty marks	$4.77	$4.80
Mexican dollars	.45	$ .46	Spanish doubloons	15.50	15.70
Peruvian soles, Chilian pesos..	.42½	.45	Spanish 25 pesos	4.78	4.82
English silver	4.83	4.86	Mexican doubloons	15.50	15.70
Victoria sovereigns	4.87	4.89	Mexican 20 pesos	19.50	19.60
Five francs	.93	.96	Ten guilders	3.95	3.99
Twenty francs	3.85	3.88			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 26⅝d. per ounce. New York market for large commercial silver bars, 58 @ 58⅞c. Fine silver (Government assay), 58⅛ @ 59⅛c.

GOLD AND SILVER COINAGE.—There was very little coin turned out from the mints last month and no silver dollars. The gold coinage aggregated $377,000, silver $260,000, and minor $33,850, a total of $670,850.

COINAGE OF THE UNITED SEATES.

	1896.		1897.	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January	$12,914,600	$65,000	$7,803,420	$1,964,800
February	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,663,581	13,770,900	1,617,654
April	1,500,000	1,831,000	8,800,400	1,535,000
May	2,857,200	1,826,490	4,489,950	1,600,000
June	2,471,217	1,950,693	2,100,547	1,856,754
July	2,918,200	1,092,000	377,000	260,000
August	3,315,000	2,686,000		
September	3,140,923	2,754,185		
October	5,727,500	2,844,010		
November	5,064,700	2,305,022		
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	$47,494,217	$10,354,002

NEW YORK CITY BANKS.—By an increase of $18,000,000 in deposits and of $10,000,000 in loans, those items in the statement of the New York Clearing-House banks show larger aggregates than were ever before reported. The cash reserves

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
July 3...	$532,707,900	$90,496,600	$102,184,200	$604,983,700	$41,384,875	$13,781,200	$761,721,700
" 10...	533,766,600	90,505,200	102,776,800	607,682,500	41,361,375	13,782,900	506,263,600
" 17...	534,154,400	91,231,200	108,122,500	613,267,200	46,036,900	13,641,200	605,777,700
" 24...	540,074,600	91,377,900	111,615,100	622,525,700	47,361,575	13,534,600	644,835,300
" 31...	542,996,200	91,497,400	109,984,000	623,045,000	45,720,150	13,431,100	623,533,100

now exceeding $201,000,000 are the largest held since 1894, excepting on July 24 there having been a d· crease of about $1,600,000 in legal tenders in the last week of the month. The surplus reserve increased over $4,000,000 in the month and is now nearly $46,000,000 or $28,000,000 more than it was a year ago. The deposits exceed the loans by $80,000,000. While such a condition as that indicated by these figures continues to exist the money market will undoubtedly remain easy.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,368,850	$501,089,300	$15,989,675	$580,785,000	$33,286,950
February	546,965,200	36,751,500	490,447,200	39,628,400	563,331,800	59,148,250
March	528,440,800	28,054,500	489,612,200	24,442,150	578,769,300	57,520,975
April	504,240,200	18,413,450	481,795,700	17,006,975	569,226,500	47,666,575
May	526,998,100	27,288,575	495,004,100	22,944,275	576,863,900	48,917,625
June	566,229,400	41,221,250	496,874,100	22,280,675	575,600,000	46,616,100
July	570,436,300	34,225,925	499,046,900	20,828,275	604,983,700	41,384,875
August	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September	574,929,900	39,149,925	451,934,800	8,836,200		
October	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December	520,788,000	18,618,300	490,634,300	31,411,625		

Deposits reached the highest amount, $623,045,000 on July 31, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
July 3	$179,052,000	$180,785,000	$10,674,000	$7,647,000	$7,952,000	$122,457,300
" 10	179,870,000	182,112,000	10,470,000	7,624,000	7,946,000	94,780,600
" 17	180,399,000	182,878,000	10,799,000	8,493,000	7,979,000	108,103,600
" 24	180,969,000	182,170,000	10,918,000	9,392,000	7,904,000	97,379,200
" 31	181,888,000	178,896,000	10,580,000	9,806,000	7,929,000	75,733,100

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
July 3	$111,823,000	$117,621,000	$34,998,000	$6,794,000	$70,271,800
" 10	112,088,000	117,621,000	34,698,000	6,862,000	50,884,900
" 17	113,006,000	118,952,000	35,575,000	6,846,000	59,869,500
" 24	112,944,000	118,484,000	35,791,000	6,897,000	59,558,400
" 31	112,426,000	117,981,000	36,014,000	6,865,000	50,654,500

GOVERNMENT REVENUES AND DISBURSEMENTS.—The statement of the Treasury for the first month of the new fiscal year is a disappointing one, a deficit of nearly $11,000,000 being shown. This has been exceeded only twice in the last four years, in July, 1896, and in October, 1894, in each of which months the deficit exceeded $13,000,000. In both those months the revenues were small, about $29,000,000 in July, 1896, and $19,000,000 in October, 1894. Last month the reveuues were $39,000,000, the largest in four years with the single exception of August, 1894, when they were nearly $40,500,000. The deficit, therefore, is due to increased expenditures which last month were nearly $50,000,000, exceeding by nearly $8,000,000 the largest total for any month since 1893, the previous high record having been made in July, 1896. Compared with that month there is an increase of $1,600,000 in civil and miscellaneous expenditures, of nearly $5,500,000 in war, and of $1,800,000 in pensions. The deficit in July is equal to one-half of the total for the entire previous fiscal year. There was a deficit in July last year of more than $13,000,000; but that being largely due to abnormal revenues while the deficit this year is in the face of exceptionally large revenues, it is a serious question how further deficits are to be avoided.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS. Source.	July, 1897.	Since July 1, 1897.	EXPENDITURES. Source.	July, 1897.	Since July 1, 1897.
Customs	$16,966,802	$16,966,802	Civil and mis	$13,959,000	$13,959,000
Internal revenue	19,767,832	19,767,832	War	10,703,000	10,703,000
Miscellaneous	2,292,730	2,292,730	Navy	2,998,000	2,998,000
			Indians	769,000	769,000
			Pensions	14,958,000	14,958,000
Total	$39,027,364	$39,027,364	Interest	6,506,000	6,506,000
Excess of expenditures	$10,865,636	$10,865,636	Total	$49,893,000	$49,893,000

UNITED STATES TREASURY CASH RESOURCES.

	Apr. 30.	May 29.	June 30.	July 30.
Net gold	$153,354,638	$144,261,249	$140,754,114	$143,926,401
Net silver	21,414,112	24,728,126	31,102,356	33,538,187
U. S. notes	27,841,703	32,409,910	35,761,622	29,175,995
Miscellaneous assets (less current liabilities)	11,746,928	13,293,263	12,508,172	14,879,403
Deposits in National banks	16,776,302	17,300,952	17,330,935	16,991,618
Available cash balance	$231,133,684	$231,993,500	$237,452,199	$238,511,604

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,967,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	36,584,708	22,934,694	140,790,738
July	29,029,209	42,088,468	110,718,746	39,027,364	49,893,000	*143,926,401
August	25,562,097	35,701,676	100,957,561			
September	24,584,244	26,579,535	124,034,672			
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

NATIONAL BANK CIRCULATION.—There was a decrease in National bank notes outstanding last month of nearly $600,000, which leaves the total only about $5,000,000 more than it was a year ago. About $360,000 of bonds deposited to secure circulation were withdrawn, and $400,000 of lawful money deposited to retire circulation was released from the Treasury.

NATIONAL BANK CIRCULATION.

	Apr. 30, 1897.	*May 31, 1897.*	*June 30, 1897.*	*July 31, 1897.*
Total amount outstanding	$232,802,244	$231,790,151	$231,356,126	$230,758,936
Circulation based on U. S. bonds	208,768,549	207,139,381	206,695,228	206,498,956
Circulation secured by lawful money	24,083,695	24,650 770	24,665,788	24,259,980
U. S. bonds to secure circulation:				
Four per cents. of 1895	35,397,550	33,495,050	32,833,550	32,781,050
Pacific RR. bonds, 6 per cent	8,578,000	8,678,000	8,837,000	8,787,000
Funded loan of 1891, 2 per cent	22,318,650	22,347,900	22,168,900	22,271,150
" " 1907, 4 per cent	150,978,750	150,918,250	150,903,750	150,543,750
Five per cents. of 1894	15,481,350	15,481,350	15,728,350	15,728,350
Total	$232,749,300	$230,915,550	$230,471,550	$230,111,300

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,580,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,285,500; 4 per cents of 1907, $11,955,000; 5 per cents. of 1894, $585,000, a total of $16,780,500.

The circulation of National gold banks, not included in the above statement, is $85,320.

MONEY IN THE UNITED STATES TREASURY.—The Treasury lost about $650,000 in net cash last month, but has about $3,300,000 less gold coin than it held a month ago, while there is an increase of about an equal amount in gold bullion. The Treasury has been increasing its holdings of silver coin, bullion and Treasury notes of 1890, but lost $5,000,000 in United States notes

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*June 1, 1897.*	*July 1, 1897.*	*Aug. 1, 1897.*
Gold coin	$120,638.598	$155,167,732	$152,529,575	$149.114,826
Gold bullion	54,565,385	26,539,659	25,547,082	28,929,752
Silver Dollars	384,584.572	397,511,546	399,992,540	400,338,020
Silver bullion	110,815,247	106,042,492	104.591,039	105,109,460
Subsidiary silver	14,215,766	16,210,920	16,210,344	16,286,660
United States notes	85,313,258	97,832,313	98,097,438	94,291,064
National bank notes	14,278,970	7,109,698	5,080,919	5,688,791
Total	$784,411,796	$806,414,360	$801,998,937	$799,758,573
Certificates and Treasury notes, 1890, outstanding	529,044,460	552,583,043	540,657,484	539,064,416
Net cash in Treasury	$255,367,336	$253,831,317	$261,341,453	$260,694,157

MONEY IN CIRCULATION.—There was a small increase in the volume of circulation in July—less than $500,000. There was a decrease in all kinds of money in circulation excepting in legal tenders (greenbacks) and currency certificates.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897	*June 1, 1897.*	*July 1, 1897.*	*Aug. 1, 1897.*
Gold coin	$517,743.229	$520,221,923	$519,146,675	$519,074,302
Silver dollars	58,581,819	53,007,095	52,001,202	51,655,722
Subsidiary silver	62,101,986	60,306,988	59,228,540	59,131,282
Gold certificates	37,887,439	37,387,829	37,285,919	37,226,879
Silver certificates	356,655,800	362,768,808	358,336,368	357,938,650
Treasury notes, Act July 14, 1890	84,171,221	86,641,406	83,905,197	81,563,887
United States notes	261,367,758	248,848,703	248,583,578	252,389,952
Currency certificates, Act June 8, 1872	50,330,000	65,785,000	61,130,000	62,335,000
National bank notes	221,384.148	224,766,143	226,410,767	225,155,465
Total	$1,650,223.400	1,659,733,895	$1,646,028,246	$1,646,471.139
Population of United States	72,159,000	72,807,000	72,937,000	73,068,000
Circulation per capita	$22.87	$22.80	$22.57	$22.53

THE SUPPLY OF MONEY IN THE COUNTRY.—The total stock of money in the country decreased $204,000 in July, the entire loss being accounted for in the reduction in National bank notes outstanding.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	June 1, 1897.	July 1, 1897.	Aug. 1, 1897.
Gold coin	$638,381,827	$675,389,655	$671,676,250	$668,189,128
Gold bullion	54,565,385	26,539,669	25,547,082	28,929,752
Silver dollars	443,166,391	450,518,641	451,998,742	451,998,742
Silver bullion	110,815,247	106,042,492	104,591,089	105,109,460
Subsidiary silver	76,817,752	76,517,906	75,438,884	75,417,942
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	231,875,841	231,441,686	230,844,256
Total	$1,905,590,736	$1,913,565,212	$1,907,369,699	$1,907.165,296

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

UNITED STATES PUBLIC DEBT.—There was an increase in the net public debt last month of nearly $7,000,000, which is represented by a decrease in the net cash balance in the Treasury to that amount, the principal of the interest and non-interest bearing debt showing no important change. There was a further reduction of $2,000,000 in certificates and Treasury notes offset by cash in the Treasury, making $16,000,000 retired since May 1.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	June 1, 1897.	July 1, 1897.	Aug 1, 1897.
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,639,850	559,640,100	559,640,650
Refunding certificates, 4 per cent	45,890	45,280	45,130	44,770
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,030	$847,365,130	$847,365,320
Debt on which interest has ceased	1,383,070	1,348,510	1,346,880	1,336,340
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,368	346,735,868	346,735,363
National bank note redemption acct	18,876,333	24,459,719	24,458,687	24,138,377
Fractional currency	6,890,504	6,889,241	6,887,702	6,887,702
Total non-interest bearing debt	$372,502,201	$378,084,824	$378,081,702	$377,761,442
Total interest and non-interest debt	1,221,249,961	1,226,797,864	1,226,796,712	1,226,463,102
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,843,169	38,782,169	38,700,169
Silver "	370,883,504	374,345,504	375,479,504	372,404,504
Certificates of deposit	50,830,000	66,565,000	61,750,000	63,495,000
Treasury notes of 1890	119,816,280	115,782,280	114,867,280	113,914,280
Total certificates and notes	$580,809,573	$595,536,953	$590,878,953	$588,518,953
Aggregate debt	1,802,059,534	1,822,333,817	1,817,672,665	1,814,977,055
Cash in the Treasury:				
Total cash assets	853,463,551	867,496,826	871,389,358	867,961,932
Demand liabilities	625,143,172	637,383,014	631,251,732	634,945,476
Balance	$228,320,379	$230,113,812	$240,137,626	$233,016,456
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	130,113,812	140,137,626	133,016,456
Total	$228,320,379	$230,113,812	$240,137,626	$233,016,456
Total debt, less cash in the Treasury	992,929,582	996,684,052	986,656,086	993,446,646

FOREIGN TRADE MOVEMENTS.—The imports of merchandise in June were the largest in years, except only those in April last, and aggregated nearly $85,000,000, while the exports were $74,000,000, making an excess of imports of $10,651,421. This leaves the net exports for the fiscal year ended June 30, at $287,613,186, the largest ever reported. The exports for the year were $1,051,987,091, that also being the largest on record. We exported net gold coin and bullion during the month $6,973,535 and imported $440,510 gold in ore. The net exports of silver coin and bullion were $4,131,981 and net imports of ore $2,044,013. For the year we imported $41,298,611 gold coin and bullion and $3,355,184 ore, and exported $50,050,301 silver coin and bullion and imported $18,630,890 silver ore.

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of July, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		July, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	15⅝—Feb. 1	9⅛—Apr. 19	14¼	12	14⅛
" preferred	28⅛	14⅛	29¼—July 29	17 —Apr. 19	29¼	23¾	28¾
Atlantic & Pacific	1	⅜	½—Jan. 14	⅛—Apr. 7	¼	⅛	¼
Baltimore & Ohio	44	10⅛	18 —Jan. 8	9 —July 10	11	9	10
Bay State Gas	33	7	15⅝—June 25	7¾—Apr. 17	14¾	10⅝	14
Brooklyn Rapid Transit	25⅛	18	35½—July 23	18⅝—Jan. 7	35½	28	33
Canadian Pacific	62¾	52	72½—July 29	46½—Mar. 29	72½	64¼	72½
Canada Southern	51¾	40¾	53¼—July 30	44⅛—Jan. 13	53¼	49¼	53¼
Central of New Jersey	110	87½	103¼—Jan. 19	68¼—May 24	91⅞	82½	89⅞
Central Pacific	16⅛	13⅛	15 —Jan. 5	7⅛—Apr. 20	10	8½	10
Ches. & Ohio vtg. ctfs	18⅛	11	20¾—July 31	15⅝—Mar. 29	20¾	16⅞	20¾
Chicago & Alton	164	146	170 —Mar. 1	147 —July 22	157	147	157
Chicago, Burl. & Quincy	83¾	53	89¾—July 24	69⅝—Jan. 5	89¾	81¾	88
Chicago & E. Illinois	43	37½	45 —Mar. 13	37¼—June 7	43	43	43
" preferred	100½	90	101 —June 26	95 —Feb. 8	99	98½	99
Chicago Gas	78¾	44⅝	99⅝—July 22	73¼—Jan. 5	99⅝	92⅞	99
Chic., Milwaukee & St. Paul	80	59⅞	89 —July 24	69¼—Apr. 19	89	81¾	87⅝
" preferred	131	117½	141⅞—July 31	130½—May 6	141⅞	139⅝	141⅞
Chicago & Northwestern	106¾	85½	118½—July 19	101¾—Apr. 19	118½	115⅝	117⅝
" preferred	152	140¾	165 —July 13	153 —Jan. 12	165	161	162
Chicago, Rock I. & Pacific	74⅞	49¼	83½—July 26	60¼—Apr. 19	83½	73	82
Chic., St. Paul, Minn. & Om.	49¾	30½	66⅞—July 23	47 —Jan. 2	66⅞	62½	65⅞
" preferred	133	117	148 —July 26	133 —Jan. 7	148	148	148
Clev., Cin., Chic. & St. Louis	39½	19½	33⅝—Mar. 17	21½—June 1	29⅝	24	28½
" preferred	90½	73	80 —May 6	63 —June 16	65	64⅞	65
Col. Coal & Iron Devel. Co.	4⅛	¼	1¼—June 18	⅜—July 2	⅞	⅜	⅞
Col. Fuel & Iron Co.	34¼	14¾	27 —Jan. 19	15¾—May 11	20⅝	16⅝	20⅛
Col. Hocking Val. & Tol.	20½	12⅛	18 —Jan. 8	1½—Apr. 30	3¾	2⅝	3
" preferred	60	48	46 —Jan. 21	15 —July 26	25	15	15
Consolidated Gas Co.	168	133	179½—July 30	136½—Jan. 2	179	164	179
Delaware & Hud. Canal Co.	129⅝	114½	121¾—Jan. 6	99⅝—Apr. 1	119¾	109½	117
Delaware, Lack. & Western	166	138	158½—July 2	146½—May 20	158½	156¾	157½
Denver & Rio Grande	14	10	12¼—Jan. 19	9¼—Apr. 20	12	11⅜	12
" preferred	51	37	46⅝—July 31	36 —Apr. 20	46⅝	42	46⅝
Edison Elec. Illum. Co., N. Y.	101½	89	122¼—July 29	101¾—Jan. 2	122¼	116	122¼
Erie	17¾	10¼	16 —July 31	11½—Apr. 19	16	14½	16
" 1st pref	41¾	27	38 —July 30	27 —Apr. 19	38	33¾	37½
" 2d pref	25	13	21 —Jan. 15	15½—May 24	20⅝	18½	20½
Evansville & Terre Haute	34½	24	21 —June 2	20 - June 8	20	20	20
Express Adams	154	135	155 —Jan. 9	147¼—Feb. 11	155	152	155
" American	116	105	116 —July 27	109½—Jan. 28	116	113	115⅝
" United States	48	35	48 —July 23	37 - Feb. 3	48	40	48
" Wells, Fargo	101	80	109½—July 21	97 —Jan. 2	109½	101	109
Great Northern, preferred	122	108¼	126 —July 19	120 —Jan. 16	126	123	126
Illinois Central	98	84½	102 —July 30	91½—Apr. 19	102	97	102
Iowa Central	10¼	5⅛	8½—June 18	6 —Apr. 15	8¼	7¼	8
" preferred	38	19	31½—July 20	23 —June 8	31½	27½	31¼
Laclede Gas	30	17	30½—July 23	22 —May 4	30½	23¾	30
" preferred	86¼	68¼	84 —July 29	70¼—Mar. 23	84	81	84
Lake Erie & Western	22½	12⅛	18⅛—Jan. 18	13 —July 15	17⅝	13	17⅝
" preferred	75	55½	72 —July 28	58¼—Apr. 1	72	64	70¾
Lake Shore	156	134¾	175 —June 22	152 —Jan. 2	171½	170	171
Long Island	84	40½	55 —Jan. 8	40 —June 10	42	42	42
Louisville & Nashville	55⅝	37⅛	55⅝ July 29	40⅛—Apr. 19	55⅝	49½	55⅛
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	½—June 23	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	94⅝—July 28	81¾—May 7	94⅝	89½	93⅞
Metropolitan Traction	114	79¼	112¼—July 29	99⅝—May 3	112¼	108¾	112
Michigan Central	97⅞	89	102¼—July 26	90 —Jan. 28	102½	100	102¼
Minneapolis & St. Louis	21¾	12	25 —July 14	16 —May 14	25	20¼	24½
" 1st pref	83	54	86½—July 30	77¾—Mar. 18	86½	82	86½
" 2d pref	53½	30	57 —July 29	46 —Feb. 26	57	50¾	55
Missouri, Kan. & Tex.	14¾	9⅛	14¾—July 29	10 —Apr. 19	14¾	12¾	14⅝
" preferred	31⅛	16	35½—July 25	24¾—Apr. 19	35½	30	35

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		July, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	27 —July 29	10 —May 6	27	18⅝	25⅜
Mobile & Ohio	25	14	24 —July 30	18 —June 3	24	19	24
N. Y. Cent. & Hudson River	99¾	88	103½—June 28	92½—Feb. 18	102⅝	100½	101½
N. Y. Chicago & St. Louis	15	9	14½—Mar. 15	11 —Feb. 11	14	13¼	14
" 1st preferred	80	67½	75 —Mar. 17	67⅝—Apr. 15	....	....	....
" 2d preferred	35⅝	20	34⅞—Mar. 17	24 —Feb. 10	34⅝	32½	34
N. Y., New Haven & Hartf'd.	186	160	178 —Jan. 4	160 —Feb. 2	175	172½	175
N. Y., Ontario & Western	16⅝	11⅛	16¾—July 29	12¾—Apr. 19	16¾	14¾	16½
N. Y., Sus. & Western	12	6	15¼—July 23	6½—May 28	15¼	10	15
" preferred	31¼	12	35½-July 15	18¼—May 20	35½	27	35⅜
Norfolk & Western	12¾	⅛	14¼—Mar. 11	9 —Apr. 19	11	11	11
" preferred	19¾	4⅛	30¼—June 11	17 —Feb. 16	30¼	28½	30¼
North American Co	6½	3½	5½—July 30	3⅝—Apr. 20	5½	4	5
Northern Pacific tr. receipts.	16⅞	¼	16⅜—Feb. 1	11 —Apr. 19	15⅝	13⅝	15½
" pref tr. receipts	36	10	45½—July 31	32⅛—Jan. 5	45½	39¾	45⅜
Oregon Railway & Nav	24	10	24⅝—July 28	10 —Apr. 20	24⅝	19	24½
" preferred	40¼	35	65 —July 29	37⅞—Jan. 8	65	52	63
Oregon Short Line	18⅛	3⅛	20½—July 14	10⅞—Mar. 30	20½	17¼	18¾
Pacific Mail	31	15¼	32¼—July 12	24 —Jan. 9	32¼	29¾	30⅝
Peoria, Dec. & Evansville	3⅞	1¼	2½—Jan. 8	¼—June 2	2⅛	⅜	1¼
Pitts., Cin. Chic. & St. Louis	18¼	11	15¾—July 30	11½—Mar. 29	15¾	13	15½
" preferred	59	40⅛	55½—July 19	44⅛—June 25	55½	48½	54
Pullman Palace Car Co	164	138	171 —July 29	152 —Jan. 2	171	167¼	170
Reading Voting Tr. ctfs	....	....	24⅞—July 29	16¼—Apr. 19	24⅞	21⅛	24½
" 1st prefered	....	....	53¼—July 29	38½—Apr. 19	53¼	45½	51⅜
" 2d preferred	....	....	30⅝—July 29	22½—Apr. 19	30⅝	27	29⅞
Rome, Wat. Ogdens' g	118	108	120 —July 16	117 —Jan. 28	120	119	120
St. Louis & San Francisco	5⅝	4	6 —June 14	4 —Apr. 19	5⅞	5	5⅞
" 1st preferred	87	34¼	50½—June 18	37 —Jan. 29	48½	45¾	47⅞
" 2d preferred	14⅛	12	17½—June 15	12 —Apr. 15	17½	16	17¼
St. Louis & Southwestern	5¾	2⅞	4¾—Jan. 18	1 —Apr. 1	4¾	3¼	4½
" preferred	13	6½	11½—Jan. 18	3⅛—Apr. 1	11¼	8⅛	10¾
St. Paul & Duluth	27⅛	15	23 —July 28	20 —Jan. 4	23	21½	23
" preferred	91	75	87 —Feb. 3	75 —Apr. 20	....	....	....
St. Paul, Minn. & Manitoba	115	105	118 —Mar. 3	114 —Jan. 28	....	....	....
Southern Pacific Co	22¼	14	16⅞—July 31	13½—Jan. 13	16⅞	15	16⅞
Southern Railway	11¾	6½	10 —Jan. 16	7 —Apr. 19	10	8½	9¾
" preferred	33¼	15½	32¾—July 29	22⅞—Mar. 19	32¾	28⅜	32¼
Tennessee Coal & Iron Co	34¾	13	31 —Jan. 18	17 —May 20	26½	21⅝	25½
Texas & Pacific	12	5	12⅜—July 29	8 —Apr. 1	12⅜	10⅛	12¼
Union Pacific trust receipts	12½	3⅞	10 —Jan. 5	4½—Apr. 19	8¼	5⅞	8
Union Pac., Denver & Gulf	5½	1⅛	3 —July 21	1 —Apr. 24	3	2	3
Wabash R. R	8	4½	7⅛—Jan. 16	4⅝—Mar. 29	7⅛	5¼	7⅛
" preferred	19¾	11	18 —July 29	11½—Apr. 19	18	14¼	17¾
Western Union	90¼	72¼	86½—Mar. 16	77¼—Apr. 30	83½	83½	85⅞
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	⅛—June 1	2	⅝	1⅜
" preferred	40¼	20⅝	29 —Jan. 5	2⅝—Apr. 15	6½	3½	6½
Wisconsin Central	4⅜	1⅜	2½—Jan. 6	1 —June 3	2	1½	1½
"INDUSTRIAL"	STOCKS:						
American Co. Oil Co	19	8	17½—July 29	9½—May 28	17½	13¼	17
" preferred	68⅞	37	68 —July 30	52¼—Feb. 16	68	62⅝	67¾
American Spirits Mfg Co	14⅞	4½	14½—Jan. 19	9¼—Apr. 23	14	11	13¾
" preferred	33¼	14¾	34⅞—Mar. 15	26 —Jan. 5	33	28½	32⅝
American Sugar Ref. Co	126⅝	95	146¼—July 20	109½—Mar. 29	146¼	125⅝	134½
" preferred	104	92¼	117 —July 19	100¼—Jan. 7	117	107¾	111¼
American Tobacco Co	95	51	85 —July 27	67½—Feb. 15	85	73½	82⅞
" preferred	106	95	112 —July 27	100 —Feb. 11	112	108	111
General Electric Co	39½	20	36¼—Feb. 2	28⅝—May 19	36⅛	33	35¼
National Lead Co	28⅝	16	36 —July 22	21⅞—Feb. 16	36	28⅝	33¾
" preferred	92¾	75	103¾—July 22	88⅜—Feb. 13	103¾	98½	102½
National Linseed Oil Co	21¼	11⅛	16 —July 30	10 —May 17	16	14½	15¾
National Starch Manfg. Co	7¾	4¼	6 —July 29	3 —May 5	6	4½	6
Standard Rope & Twine Co	12½	8⅛	11¾—Jan. 19	3½—June 29	9½	4⅜	8¼
U. S. Leather Co	11⅞	5½	9⅝—Jan. 19	6½—Apr. 19	8¼	7⅜	7¾
" preferred	69⅛	41½	64 —Jan. 19	50½—Apr. 29	63¾	59	62⅝
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 3	15½	10	14¼
" preferred	89	65	76⅞—Jan. 5	50 —July 20	59½	50	58

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	July Sales. High.	July Sales. Low.	July Sales. Total.
Ala. Midland 1st gold 6s..........1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	80	July 31,'97	80	78⅛	78,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	109,920,000	A & O	87	July 31,'97	87	84⅜	2,155,000
" adjustment, g. 4's.....1995	51,728,000	NOV	56	July 31,'97	56¼	49½	7,775,000
" Equip. tr. ser. A. g. 5's1902	1,250,000	J & J	....	....	....	....	....
" Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's, 1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's.....1950	1,238,000	J & J	90½	Feb. 25,'97	....	....	....
Atlan. & Pac. Western div. inc...1910	10,454,000	A & O	⅜	July 20,'97	⅜	¼	87,000
" div. small..............1910		A & O	10	Mar. 17,'98	....	....	....
" Central div. inc.......1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.), 1919	3,000,000	A & O	105¼	July 21,'97	106⅜	105¼	6,000
" 5's, gold..........1885–1925	4,936,000	F & A	78	July 28,'97	82½	78	62,000
" registered................		F & A	83	July 30,'97	83	82	20,000
" eng. ctfs of deposit.......	5,044,000	......	91	Mar. 25,'97	....	....	....
B. & O. con. mtge. gold 5's......1988	11,988,000	F & A	90	May 27,'97	....	....	....
" registered................		F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd., 1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's...1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s, 1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s..........1993	10,511,000	J & J	60	June 9,'97	....	....	....
" 1st inc. g. 5's "A" 2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
" "B"..................2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's...1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	2,500,000	M & S	97½	June 22,'97	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's..1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
" coupons off................	....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's..1946	2,536,000	J & J	106	June 15,'97	....	....	....
Broadway & 7th av. 1st con. g. 5's, 1943	7,650,000	J&D	119¼	July 22,'97	120¼	119	28,000
" registered..................		J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's........1941	4,373,000	J & J	114¼	July 13,'97	114¼	114⅛	9,000
Brooklyn Elevated 1st g. 6s's,...1924	465,000	A & O	75½	June 25,'97	....	....	....
" eng. Trust Co. ctfs........	8,035,000	......	77½	July 27,'97	77½	73⅛	51,000
" 2d g. 5's................1915	123,000	J & J	43	June 19,'97	....	....	....
" eng. Tr. Co. ctfs..........	1,126,000	......	....	....	....	....	....
Seaside & Bkln Bdge 1st g. g. 5's.1942	120,000	J & J	80	Mar. 31,'96	....	....	....
" eng. Tr. Co. ctfs..........	1,245,000	......	66	July 27,'97	66	60	71,000
Union Elevated 1st gtd. g. 6's...1937	936,000	M & N	78	July 26,'97	78	78	5,000
" eng. Tr. Co. ctfs..........	5,212,000	......	77½	July 31,'97	77½	73¼	72,000
Brooklyn Rapid Transit g. 5's...1945	5,181,000	A & O	88⅜	July 30,'97	90¾	83⅛	3,111,000
Brunswick & Western 1s g. 4's....1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,407,000	M & S	97⅞	June 22,'97	....	....	....
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	126½	July 15,'97	126½	126½	3,000
" cons. 1st 6's, ...1922	3,920,000	J & D	120	July 19,'97	120	120	8,000
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's, 1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered..................		A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	108¾	July 23,'97	108¾	107	28,000
" con. 1st & col. tst 5's...1934	6,425,000	A & O	105¾	July 26,'97	105¾	104¼	26,000
" registered................		A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's, g, 1927	150,000	J & D	140	Aug. 24,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JULY SALES. High.	JULY SALES. Low.	JULY SALES. Total.
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
• 1st 5's	1921	1,905,000	A & O	102	July 28,'96	....	....	....
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	111	July 30,'97	111¼	110⅛	58,000
• 2d mortg. 5's	1913	5,100,000	M & S	108	July 29,'97	108	107¼	22,000
• registered			M & S	106⅛	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	90¾	July 8,'97	90¾	90¾	6,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	115¼	July 22,'97	116	114⅛	136,000
• registered $1,000 & $5,000			F & A	....	....	....	....	....
• con. g. 5's	1945	16,500,600	M & N	93⅛	July 31,'97	93¾	89¼	776,000
• con. g. 5's, reg. $1,000 & $5,000			M & N	....	....	....	....	....
• 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	37¾	July 31,'97	38	33¼	784,000
• 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	13	July 31,'97	13⅛	10⅛	186,000
• 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	5	June 18,'97	....	....	....
• Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	93	93	20,000
• Mobile div. 1st g. 5's	1946	1,000,000	J & J	95½	July 15,'97	95¼	95¼	2,000
Central Railroad of New Jersey,								
• 1st consolidated 7's	1899	3,836,000	Q J	106¼	July 10,'97	106¼	106¼	1,000
• convertible 7's	1902	1,167,000	M & N	113¼	June 19,'97	....	....	....
• deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
• gen. mtg. 5's	1987	41,604,000	J & J	112⅞	July 31,'97	113⅛	111	111,000
• registered			Q J	111⅝	July 31,'97	111⅝	110½	66,500
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	100½	July 30,'97	100½	100	40,000
• mortgage 5's	1912	2,887,000	M & N	78	July 9,'97	78	78	1,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	113½	July 22,'97	113½	113½	30,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	101⅝	July 29,'97	101⅝	101⅛	31,000
• ext g 5s series A B C D	1898	5,598,000	J & J	100¾	July 10,'97	100¾	100¾	2,000
• ext g 5's series E	1898	3,210,000	J & J	102½	June 10,'97	....	....	....
• San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	....	....	....
• gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
• land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	....
• Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	June 16,'97	....	....	....
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
• 50 year m. gg. 5's	1938	4,800,000	A & O	88	July 23,'97	88	88	29,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	102¼	July 2,'97	102¼	102¼	3,000
• 6's, g., Series A	1908	2,000,000	A & O	121¼	July 20,'97	121⅜	121¼	5,000
• Mortgage gold 6's	1911	2,000,000	A & O	122½	July 29,'97	122½	121½	21,000
• 1st con. g. 5's	1939	23,571,000	M & N	111	July 29,'97	111¼	110¼	71,000
• registered			M & N	107½	May 3,'97	....	....	....
• Gen. m. g. 4½'s	1992	21,803,000	M & S	79¾	July 31,'97	79¾	76½	800,000
• registered			M & S	85	Dec. 30,'93	....	....	....
• (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	104	July 19,'97	104⅛	102	56,000
• 2d con. g. 4's	1989	1,000,000	J & J	92	July 20,'97	92	92	16,000
• Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
• Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
• Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	101	July 29,'97	101	100¾	25,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
• 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113	Nov. 23,'96	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	110¼	May 13,'97	....	....	....
• 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	106	July 12,'97	106	106	1,000
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	117⅝	July 30,'97	117⅝	117	109,000
• 5's, sinking fund	1901	2,315,000	A & O	103½	June 12,'97	....	....	....
• 5's, debentures	1913	9,000,000	M & N	102¾	July 29,'97	103	102	83,000
• convertible 5's	1903	15,263,900	M & S	106	July 29,'97	106	104½	95,000
• (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	....	....	....
• 4's	1919	7,571,000	A & O	101	July 13,'97	101	101	2,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JULY SALES. *High.*	JULY SALES. *Low.*	JULY SALES. *Total.*
• Denver div. 4's	1922	6,141,000	F & A	97⅛	June 25,'97	....	....	....
• 4's	1921	3,800,000	M & S	88¼	Nov. 6,'93	....	....	....
• Chic. & Iowa div. 5's	1905	2,820,000	F & A	107½	Jan. 18,'96	....	....	....
• Nebraska extensi'n 4's	1927	26,411,000	M & N	94⅛	July 31,'97	94⅛	92⅛	400,000
• registered			M & N	91	July 10,'97	91	91	5,000
• Han. & St. Jos. con. 6's	1911	8,000,000	M & S	122¼	July 7,'97	122¼	122¼	10,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
• small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	127¼	July 1,'97	127¼	127	10,000
• gen. con. 1st 5's	1937	9,767,000	M & N	101¾	July 30,'97	101⅞	101	133,000
• registered			M & N	99½	May 14,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	100	July 27,'97	100	99	6,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	107¾	July 21,'97	108⅛	107¼	41,000
• 2d 7 3-10 P. D.	1898	766,000	F & A	138¼	July 17,'97	138⅛	138¼	4,000
• 1st 7's $ gold, R. div.	1902	3,736,500	J&J	137	July 29,'97	137	137	5,000
• 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & D. 7's	1899	431,000	J & J	139½	June 30,'97	....	....	....
• 1st m. C. & M. 7's	1903	2,391,000	J & J	135⅝	July 2,'97	135⅝	135⅝	5,000
Chicago Mil. & St. Paul con. 7's	1905	11,297,000	J & J	137½	July 28,'97	137½	135⅝	64,000
• 1st 7's, Iowa & D, ex	1908	3,505,000	J & J	137¾	July 30,'97	137¾	136¼	30,000
• 1st 6's, Southw'n div.	1909	4,000,000	J & J	118½	July 26,'97	118½	116½	7,000
• 1st 5's, La. C. & Dav	1919	2,500,000	J & J	113	June 2,'97	....	....	....
• 1st So. Min. div. 6's	1910	7,432,000	J & J	118¼	July 27,'97	118¼	117	33,000
• 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	128½	July 22,'97	128¾	128	17,000
• 5's	1910	990,000	J & J	107½	July 6,'97	107½	107½	1,000
• Chic. & Pac. div. 6's	1910	3,000,000	J & J	121¼	June 25,'97	....	....	....
• 1st Chic. & P. W. 5's	1921	25,340,000	J & J	116½	July 20,'97	116½	115½	25,000
• Chic. & M. R. div. 5's	1926	3,083,000	J & J	113	June 4,'97	....	....	....
• Mineral Point div. 5's	1910	2,840,000	J & J	109	June 3,'97	....	....	....
• Chic. & Lake Sup. 5's	1921	1,360,000	J & J	114	June 24,'97	....	....	....
• Wis. & Min. div. 5's	1921	4,755,000	J & J	112½	July 9,'97	112½	111½	3,000
• terminal 5's	1914	4,748,000	J & J	112¼	July 23,'97	113¼	112	19,000
• Far. & So. 6's assu	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
• mtg. con. si'k. f'd 5's	1916	1,680,000	J & J	106½	July 9,'97	106½	106½	5,000
• Dakota & Gt. S. 5's	1916	2,856,000	J & J	110½	July 27,'97	110½	109½	20,000
• g. m. g. 4's, series A	1989	29,710,000	J & J	102½	July 31,'97	103⅛	101⅛	292,000
• registered		....	Q J	94½	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	118	June 22,'97	....	....	....
• 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
C. Tm. Tns. U. S. Tr. Co. cfs of prop.		18,870,000	......	43⅛	July 31,'97	43⅛	42⅝	206,000
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	146	July 28,'97	147	146	21,000
• coupon gold 7's	1902	12,336,000	J & D	117½	July 30,'97	117½	117	23,000
• registered d. gold 7's	1902		J & D	116½	June 7,'97	....	....	....
• sinking fund 6's	1879–1929	5,591,000	A & O	117½	July 28,'97	117½	117½	2,000
• registered			A & O	117½	July 13,'97	117½	117½	5,000
• 5's	1879–1929	7,237,000	A & O	113	July 19,'97	113	112	13,000
• registered			A & O	106	Apr. 5,'97	....	....	....
• debenture 5's	1933	9,800,000	M & N	117¾	July 28,'97	117¾	117¼	13,000
• registered			M & N	112½	May 7,'97	....	....	....
• 25 year deben. 5's	1909	6,000,000	M & N	109⅝	July 29,'97	109½	109¼	5,000
• registered			M & N	108¾	July 13,'96	108¼	108¼	6,000
• 30 year deben. 5's	1921	9,800,000	A & O	113⅝	July 23,'97	113⅝	113⅝	5,000
• registered			A & O	107	Nov. 20,'95	....	....	....
• extension 4's	1886–1926	18,632,000	F A 15	106	July 13,'97	106	105	6,000
• registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	106	June 14,'97	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,000,000	M & N	135	July 22,'97	135	133¼	9,000
• con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	117	July 30,'97	117	116	5,000
• Michigan div. 1st 6's	1924	1,281,000	J & J	130	May 28,'97	....	....	....
• Ashland div. 1st 6's	1925	1,000,000	M & S	134	July 22,'97	134	134	15,000
• income		500,000	M & N	110¼	July 2,'96	110¼	110¼	1,000
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	132	July 30,'97	132	131⅛	7,000
• 6's registered	1917		J & J	130¾	Apr. 30,'97	....	....	....

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	JULY SALES. *High.*	*Low.*	*Total.*
" exten. and collat. 5's..1934	40,381,000	J & J	105⅝	July 30,'97	106¼	105¼	399,000
" registered..................		J & J	104¾	July 28,'97	105	104¾	30,000
" debenture 5's..........1921	4,500,000	M & S	103	July 30,'97	103	100⅞	111,000
" registered..................	....	M & S	....		....	....	....
Des Moines & Ft. Dodge 1st 4's.1905	1,200,000	J & J	88¼	June 12,'96	....	....	....
" 1st 2½'s..................1905	1,200,000	J & J	64¼	July 13,'97	64¼	64¼	2,000
" extension 4 s..............	672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	103¼	July 22,'97	103¼	103¼	2,000
" small bond.............1923	....	A & O	100	Apr. 15,'97	....	....	....
Chic., St.P., Minn.& Oma.con. 6's.1930	13,413,000	J & D	132¼	July 30,'97	132¼	131⅛	17,000
Chic., St. Paul & Minn. 1st 6's..1918	3,000,000	M & N	131	July 27,'97	131	131	2,000
North Wisconsin 1st mort. 6's..1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	131¼	July 30,'97	131¼	131¼	11,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's.1919	1,149,000	M & N	106	June 22,'97	....	....	....
" gen'l mortg. g. 6's......1932	9,652,666	Q M	119¼	July 28,'97	119¼	119¼	4,000
Chic. & West Michigan R'y 5's...1921	5,753,000	J & D	98⅛	Mar. 13,'93	....	....	....
" coupons off..................	....	......	....		....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's.1905	996,000	A & O	120	July 15,'96	....	....	....
" 2d g. 4½'s..............1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's.1941	3,500,000	M & N	108	May 28,'97	....	....	....
City Sub. R'y, Balto. 1st g. 5's....1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g.6's.1930	730,000	F & A	....		....	....	....
Clev. & Can.Tr.Co.ctfs. 1st 5's for.1917	2,000,000	......	68	July 12,'97	68	68	4,000
Clev., Cin., Chic.& St.L. gen.m. 4's.1993	7,574,000	J & D	86	May 25,'95	....	....	....
" do Cairo div. 1st g. 4's..1939	5,000,000	J & J	89	Apr. 15,'97	....	....	....
St. Louis div. 1st col. trust g.4's.1990	9,750,000	M & N	95	July 30,'97	95	94	31,000
" registered..................			90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	89½	Apr. 15,'97	....	....	....
Cin., Ind., St. L. & Chic. 1st g.4's.1936	7,685,000	Q F	101¼	July 27,'97	101¼	101¼	4,000
" registered..................			95	Nov. 15,'94	....	....	....
" con. 6's..................1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g.5's 1928	2,571,000	J & J	113	Apr. 22,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's..1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....		....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	73⅞	July 28,'97	73⅞	70	88,000
" income 4's............1990	4,000,000	A	15	July 31,'97	15	15	10,000
Clev., C., C. & Ind. 1st 7's s'k. f'd.1899	3,000,000	M & N	106¾	July 14,'97	107	106½	31,000
" consol mortg. 7's.......1914	3,991,000	J & D	133¼	June 29,'97	....	....	....
" sink. fund 7's..........1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's.........1934	3,205,000	J & J	127¾	May 14,'97	....	....	....
" registered..................		J & J	....		....	....	....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's.1901	1,000,000	A & O	106	May 4,'97	....	....	....
Clev., Lorain & Wheel'g con.1st 5's1933	4,300,000	A & O	100	June 29,'97	....	....	....
Clev., & Mahoning Val. gold 5's..1938	2,986,000	J & J	103	Apr. 14,'97	....	....	....
" registered..................		Q J	....		....	....	....
Coeur d'Alene 1st g. 6's...........1916	360,000	M & S	104	May 5,'92	....	....	....
" gen. 1st g. 6's.....1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col. Midld Tr.Co.ctfs.1st g.6's asst.1936	5,615,000	J & D	63¾	July 26,'97	64½	62¼	158,000
" Tr.Co.cfs.cn.g.4's stm gtd.1940	988,000	F & A	21	June 6,'96	....	....	....
" " assented..................	3,900,000	......	5¼	July 31,'97	7	5	366,000
Col'bus & Ninth Av. 1st gtd g. 5's.1993	3,000,000	M&S	119	July 31,'97	120	118¾	32,000
" registered..................		M&S	....		....	....	....
Col., Hock. Val. & Tol. con. g. 5's.1931	783,000	M & S	72½	July 28,'97	72½	72½	1,000
" J. P. M. & Co. eng certf....	7,267,000	......	73½	July 30,'97	73¾	72	77,000
" gen. mort. g. 6's..........1904	2,000,000	J & D	53	July 31,'97	55	50	17,000
" gen. lien g. 4's..........1996	852,000	J & J	....		....	....	....
" registered, $5,000..........		J & J	....		....	....	....
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's.........1914	5,000,000	M & N	144	July 28,'97	144	144	1,000
" bonds, 7's..............1900	281,000	J & J	109¾	July 30,'97	109¾	109¾	1,000
" 7's.................1871-1901	4,991,000	A & O	113½	May 26,'97	....	....	....
" 1st c. gtd 7's..........1915	12,151,000	J & D	143¼	July 10,'97	143¼	143¼	50,000
" registered..................		J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	138½	July 22,'97	138½	138½	4,000
" const. 5's..............1923	5,000,000	F & A	116¾	June 15,'97	....	....	....
Warren 2d 7's......................1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....
Delaware & Hudson Canal.							
" 1st Penn. Div. c. 7's...1917	5,000,000	M & S	146½	June 24,'97	....	....	....
" reg......................1917		M & S	143	May 4,'96	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	July Sales. High.	July Sales. Low.	July Sales. Total.
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	122½	May 22,'97	....	....	....
" registered			A & O	128½	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	118	June 14,'97	....	....	....
" registered			A & O	116½	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	148½	July 27,'97	148½	148½	1,000
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O		....	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J		....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J		....	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	88¾	July 29,'97	89	87¼	55,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	110½	July 27,'97	110½	110½	4,000
" impt. m. g. 5's	1928	8,103,500	J & D	85	July 14,'97	85	85	1,000
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,028,000	A & O	19½	July 31,'97	19½	18	36,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D		....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	102½	July 6,'97	102½	101½	25,000
" registered			A & O	101½	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J		....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J		....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	101¾	July 30,'97	101¾	101	134,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	112¼	July 15,'97	112½	112	34,000
" 2d extended 5's	1919	2,149,000	M & N	122	June 23,'97	....	....	....
" 3d extended 4½'s	1923	4,618,000	M & S	115¾	June 21,'97	....	....	....
" 4th extended 5's	1920	2,926,000	A & O	120⅛	July 14,'97	120⅛	120⅛	2,000
" 5th extended 4's	1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	144	July 29,'97	144	143	15,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	May 29,'97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	137¾	Apl. 23,'97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J		....	....	....	....
" small			J&J		....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	107	June 16,'97	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	110½	July 31,'97	110½	109½	52,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N		....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	89	July 31,'97	90	89	320,000
" " registered			J&J		....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	66¼	July 31,'97	67	64⅞	281,000
" " registered			J&J		....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	111	May 21,'97	....	....	....
" 1st General g 5's	1942	2,223,000	A & O	95	Sept. 14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	114	Apl. 24,'97	....	....	....
" 1st con. gold 5's	1939	2,100,000	M & N	80	Apl. 9,'97	....	....	....
" Port Huron d 1st g 5's	1939	3,083,000	A & O	77¼	July 30,'97	77¼	70	14,000
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J		....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105¾	July 31,'97	105¾	105¾	1,000
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	66¼	July 31,'97	67	66	115,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	57	July 29,'97	57½	52¼	478,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	108	July 15,'97	108	108	1,000
" 2d mortgage 7's	1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	90¾	July 31,'97	90¾	89¼	158,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,230,000	A & O	103	July 30,'97	103	102¾	14,000
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	June 23,'97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	109⅝	July 29,'97	109⅝	109⅜	3,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	105	June 29,'97	....	....	....
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	72	July 30,'97	72	68¼	202,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	July Sales. High.	July Sales. Low.	July Sales. Total.
• Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
• Deben. 4's p. & int. gtd,	1897	411,000	A & O	100	July 6,'97	100	99¾	3,000
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	July 19,'97	110	110	11,000
• registered			J&J	112½	July 13,'97	112⅛	112⅛	3,000
• gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
• registered			J&J	97	Dec. 17,'95	....	....	....
• gold 4's	1952	15,000,000	A & O	102	June 3,'97	....	....	....
• gold 4's regist'd			A & O	100	Dec. 23,'96	....	....	....
• gold 4's	1953	24,679,000	M & N	101¾	July 21,'97	101¾	101¼	25,000
• gold 4's registered			M & N	....		....	....	....
• 2-10 g. 4's	1904	4,806,000	J & J	100⅛	June 4,'97	....	....	....
• 2-10 g. 4's registered			J & J	....		....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered			M & S	....		....	....	....
• West'n Line 1st g. 4's,	1951	3,550,000	F & A	105½	July 27,'97	105½	104	18,000
• registered			F & A	....		....	....	....
• Cairo Bridge 4's g	1950	3,000,000	J & D	101⅛	Sept. 10,'95	....	....	....
• registered				....		....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	101¼	July 9,'97	101¼	101¼	2,000
Middle div. registered 5's	1921	600,000	F & A	116⅛	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	July 1,'97	102⅛	102⅛	1,000
• 1st consol. 7's	1897	826,000	M & N	102½	July 1,'97	102½	102½	1,000
• gold 5's	1951	16,526,000	J D 15	123⅛	July 22,'97	123⅛	123	4,000
• gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	....
• Memph. div. 1st g. 4's,	1951	3,500,000	J & D	103⅝	July 28,'97	103⅝	103⅝	2,000
• registered			J & D	....		....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	104½	July 30,'97	104½	102⅛	48,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	88	July 7,'97	88	88	1,000
• 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	120½	July 20,'97	120½	119¾	25,000
• 2d mortgage 4½-5's	1909	6,593,000	M & S	83	July 31,'97	83	80½	113,000
• 3d mortgage g-4's	1921	2,711,000	M & S	43	July 31,'97	43	40	36,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	95⅛	July 26,'97	95⅛	94⅛	21,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....		....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	48	July 30,'97	48	46	5,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	38	July 19,'97	38	38	6,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115¼	July 27,'97	115⅝	115	23,000
• 2d mtge. g. 5's	1941	2,600,000	J & J	100½	July 30,'97	100½	99⅛	43,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	101½	May 22,'97	....	....	....
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	104⅝	June 29,'97	....	....	....
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,134,500	A & O	107¾	June 15,'97	....	....	....
• con. co. 1st 7's	1900	10,778,000	J&J	109¾	July 21,'97	....	....	....
• con. 1st registered	1900		Q J	109¾	July 24,'97	109⅞	109¾	27,000
• con. co. 2d 7's	1903	9,998,000	J&D	120½	June 29,'97	109⅞	109¾	27,000
• con. 2d registered	1903		J&D	120½	July 6,'97	120½	120½	13,000
• g 3½s	1997	22,433,000	J & D	103⅞	July 29,'97	103⅞	103⅝	277,000
• • registered			J & D	109	Dec. 21,'96	....	....	....
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	....		....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	100¼	July 29,'97	100¼	98½	52,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	110¼	July 16,'97	110¼	109	35,000
• registered			A & O	109½	July 1,'97	109½	109½	10,000
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
• registered	1933		J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	90	July 29,'97	90	90	3,000
• registered			M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....		....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	119¾	July 31,'97	120	118½	75,000
• registered			M&S	....		....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104¼	July 28,'97	104¼	103¾	4,500
Long Island 1st cons. 5's	1931	3,610,000	Q J	117½	July 23,'97	117½	117½	4,000

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NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	JULY SALES. High.	Low.	Total.
Long Island gen. m. 4's	1938	3,000,000	J & D	85	July 31,'97	85	85	2,000
" Ferry 1st g. 4½'s	1922	1,500,0 0	M & S	89	July 31,'97	89	85	5,000
" g. 4's	1932	325,000	J & D	....	....	....	....	....
" deb. g. 5's	1934	1,500,000	J & D	....	....	....	....	....
N. Y. & Rock'y Beach 1st g. 5's,	1927	984,000	M & S	100	May 25,'97	....	....	....
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's,	1935	1,726,000	A & O	106⅛	July 9,'97	106⅛	105⅛	15,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,075,000	Q JAN	108⅛	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's.	1939	3,406,000	J & J	30	July 27,'97	30	30	21,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9⅛	Dec. 5,'96	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	104⅛	July 29,'97	104½	104⅛	83,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96	....	....	....
" N. O. & Mobile 1st 6's,	1930	5,000,000	J & J	119	July 7,'97	119	119	3,000
" 2d 6's	1930	1,000,000	J & J	102	July 8,'97	102	102	3,000
" E., Hend. & N. 1st 6's	1919	2,833,000	J & D	115	May 11,'97	....	....	....
" general mort. 6's	1930	10,248,000	J & D	117	July 21,'97	117¼	116¼	37,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97	121	121	1,000
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107⅛	July 16,'97	107½	107⅛	1,000
" So. N. Ala. si'g fd. 6s,	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	100	June 30,'97	....	....	....
" Unified gold 4's	1940	14,994,000	J & J	83¼	July 29,'97	83⅛	80⅛	272,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	97	July 19,'97	97	96½	19,000
" collateral trust g. 5's,	1931	5,129,000	M & N	99⅛	June 16,'97	....	....	....
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104⅛	Mar. 16,'97	....	....	....
" N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	82½	July 30,'97	82⅛	82⅛	8,000
South & N. Ala. con. gtd. g. 5's,	1936	3,678,000	F & A	93½	July 28,'97	93½	92½	12,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	88	July 22,'97	88	87	3,000
L. & N. Louv. Cin. & Lex. g. 4½'s,	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's.	1945	3,000,000	M & S	....	....	....	....	....
Louisv'e, New Alb. & Chic. 1s 6's,	1910	3,000,000	J & J	115⅛	June 24,'97	....	....	....
" eng. Tr. Co. ctf. cons. g. 6's	1916	4,421,000	A & O	92	July 16,'97	92⅛	91⅛	7,000
" eng. Tr. Co. ctf. gen. g. 5's,	1940	2,609,000	M & N	46	July 24,'97	46	45	10,000
Louisville Railw'y Co. 1st c. g. 5's,	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	96⅛	July 27,'97	96⅛	95½	162,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's,	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118	July 20,'97	118¼	117⅛	8,000
" 2d 6's	1899	4,000,000	M & N	105	July 29,'97	106	105¼	41,000
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	67	May 3,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's,	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped	....	....	....	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97	13	13	8,000
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97	....	....	....
" registered			J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	117	July 23,'97	117	116¾	12,000
" 1st con. 5's	1902	2,000,000	M & N	107	July 1,'97	107	107	2,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	120	July 15,'97	120	120	5,000
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	105⅛	June 4,'97	105⅛	105⅛	1,000
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil. Elec. R. & Light con. 30yr. g. 5's	1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	143	July 22, '97	143	143	4,000
" 1st con. g. 5's	1934	5,000,000	M & N	105	July 30, '97	105	103⅛	165,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	123¾	Apl. 28, '97	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16, '96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¾	May 11, '97	....	....	....
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26, '87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2, '95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18, '91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18, '95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	86⅝	July 31, '97	87	83½	442,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	63⅞	July 31, '97	64¼	60¼	1,577,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30, '96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	83	July 31, '97	83	79	101,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	68	July 9, '97	68	68	1,000
" Dal. & Waco 1st g. g. 5's	1940	1,340,000	M & N	60	July 30, '97	80	78	6,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	93⅛	July 28, '97	94⅛	91	93,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	92	July 31, '97	92	83	225,000
" 3d mortgage 7's	1906	3,828,000	M & N	104⅛	July 28, '97	104⅛	104⅛	5,000
" trusts gold 5's	1917	14,376,000	M & S	47	June 11, '97	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	65	July 30, '97	65	58	48,000
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	103	July 21, '97	103	103	25,000
" 2d extended g. 5's	1938	2,573,000	F & A	102	July 26, '97	102	100⅝	2,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s	1897	4,000,000	F & A	104½	June 30, '97	....	....	....
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	104½	May 15, '97	....	....	....
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	83½	July 31, '97	83⅛	79	106,000
" stamped gtd gold 5's	1931	6,945,000	A & O	82	July 31, '97	82	79	25,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	......	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	120	July 29, '97	120	119¼	8,000
" 1st entension 6's	1927	974,000	J & D	112	June 18, '97	....	....	....
" gen. g. 4's	1938	9,450,500	Q J	71	July 31, '97	71	68½	386,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17, '95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21, '96	....	....	....
" 1st 7's	1918	5,000,000	A & O	128	July 23, '95	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	130¼	July 28, '97	131	130¼	13,000
" 2d 6's	1901	1,000,000	J & J	101½	Apl. 14, '97	....	....	....
" 1st cons. g. 5's	1928	5,594,000	A & O	101½	July 30, '97	101⅛	100	94,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24, '96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	108½	Aug. 13, '94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	118	July 28, '97	118	117⅝	75,000
" 1st registered	1903		J & J	117½	July 23, '97	117½	117⅞	65,000
" debenture 5's	1904	10,000,000	M & S	111⅛	July 28, '97	111⅛	111	9,000
" debenture 5's reg.			M & S	111	July 21, '97	111	110⅝	3,000
" reg. deben. 5's	1889-1904	1,000,000	M & S	107¼	Feb. 13, '97	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	103½	June 24, '97	....	....	....
" registered	1905		J & D	104	Mar. 23, '97	....	....	....
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	105	July 20, '97	105	104¼	10,000
" registered			M & N	104	July 29, '97	104	104	1,000
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	111	July 22, '97	111	111	1,000
" 7's registered	1900		M & N	110½	June 18, '97	....	....	....
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	103	May 7, '97	....	....	....
" reg. certificates			F & A	....	....	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int's Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	JULY SALES. *High.*	JULY SALES. *Low.*	JULY SALES. *Total.*
West Shore 1st guaranteed 4's		50,000,000	J & J	109¼	July 31, '97	110⅛	108¼	183,000
" registered			J & J	108½	July 20, '97	109	108¾	48,000
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	108¼	Apr. 30, '97	....	....	....
" registered			J & J	105½	June 12, '96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J			....	....	....
" registered		....	J & J			....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J			....	....	....
" small bonds series B		33,100	J & J			....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D			....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	121	July 31, '97	121¼	120⅛	42,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O			....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N			....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	110	Oct. 16, '94	....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107¼	June 2, '97	....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	100	Mar. 14, '94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D			....	....	....
N. Y. & Putnam 1st gtd g. 4's	1993	4,000,000	A & O	108	May 22, '96	....	....	....
N. Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	106	July 30, '97	106	105¼	158,000
" registered			A & O	105	Feb. 16, '97	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	123	June 16, '97	....	....	....
" 1st 6's	1905	4,000,000	J & J	114	May 27, '97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's	1903	2,000,000	J & D	106	Dec. 4, '94	....	....	....
" con. deb. receipts	$1,000	15,007,500	A & O	139	July 23, '97	139	138	6,000
" small certifs	$100	1,430,000	......	135	June 18, '97	....	....	....
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	121	May 12, '97	....	....	....
N. Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	110¼	July 29, '97	110¼	110⅛	23,000
" Refunding 1st g. 4's	1992	8,375,000	M & S	96	July 28, '97	96⅜	96	48,000
" Registered $5,000 only.		....	M & S	83⅜	Aug. 25, '92	....	....	....
N. Y., Sus. & W. 1st refunded 5's	1937	3,750,000	J & J	105	July 29, '97	105	102¼	70,000
" 2d mortg. 4½'s	1937	453,000	F & A	73	June 19, '97	....	....	....
" gen. mtg. g. 5's	1940	2,486,000	F & A	85	July 31, '97	87	78	1,095
" term. 1st mtg. g. 5's	1843	2,000,000	M & N	105½	June 19, '97	....	....	....
" registered	$5,000		M & N			....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	97	July 30, '97	98	87½	251,000
Midland R. of N. Jersey 1st 6's	1910	3,500,000	A & O	120½	July 23, '97	120½	119	5,000
N. Y., Texas & Mexico g. 1st 4's	1912	1,442,500	A & O			....	....	....
N. P. 1st m. R. R. & L. G. S. F. g. c. 6's	1921	15,392,000	J & J	118	July 30, '97	118	116	27,000
" registered			J & J	116¼	July 2, '97	116¼	116¼	5,000
St. Paul & N. Pacific gen 6's	1923	7,985,000	F & A	130	July 29, '97	130	129	4,000
" registered certificates			Q F	122⅝	May 18, '96	....	....	....
N. P. Ry prior ln reg. & ld. gt. g. 4's	1997	74,812,500	Q J	90	July 31, '97	90¼	88½	989,500
" registered			Q J	88	May 19, '97	....	....	....
" gen. lien g. 3's	2047	56,000,000	Q F	57⅞	July 31, '97	58⅝	55¼	2,206,000
" registered			Q F			....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,980,000	J & J	104	July 24, '97	104¾	104	24,000
Norfolk & Southern 1st g. 5's	1941	750,000	M & N	108	June 26, '97	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	123½	July 19, '97	123¼	122⅛	6,000
" New River 1st 6's	1932	2,000,000	A & O	120	June 15, '97	....	....	....
" imp'ment and ext. 6's	1934	5,000,000	F & A	97	Feb. 19, '94	....	....	....
" coupons off		....				....	....	....
" Sci'o Val & N. E. 1st g. 4's	1989	5,000,000	J & N	82½	July 30, '97	83	82⅛	69,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	101	Feb. 23, '97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.	1996	22,172,500	A & O	73	July 30, '97	73½	72½	64,500
" registered			A & O			....	....	....
" small bonds			A & O			....	....	....
Ogdb'g & L. Chapl. 1st con. 6's	1920	3,500,000	A & O	49	Apr. 13, '96	....	....	....

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Ogdensburg & Lake Chapl. inc..1920	800,000	O	....		....	....	....
" inc........small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's...1898	3,435,000	J & J	102⅛	July 24,'97	102⅛	102⅛	28,000
" consolidated 7's.........1898	3,066,000	J & J	102	July 30,'97	102¼	102	15,000
" 2d consolidated 7's.......1911	2,952,000	A & O	120	June 21,'97	....	....	....
" 1st Springf'd d. 7's.......1905	1,984,000	M & N	102	July 7,'97	102	101⅛	16,000
" 1st general 5's...........1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's.......1936	2,000,000	J & D	102¼	May 11,'97	....	....	....
" gen. mortg. g 6's.........1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's....1921	3,924,000	J & D	84¾	June 2,'97	....	....	....
" gen. mortg. g 4's........1921	1,543,000	M & N	10	Mar. 10,'97	....	....	....
" gen. eng. Trust Co. certs...	1,255,000	......	9	July 16,'97	9	9	18,000
Omaha & St. Lo. Tr Co. cts. 1st 4's.1937	2,717,000	......	56	July 9,'97	56	56	1,000
Oregon & California 1st g 5's....1927	18,842,000	J & J	72½	June 11,'97	....	....	....
Oregon Improvement Co. 1st 6's.1910	743,000	J & D	105	July 23,'97	105	100	6,000
" eng.Tr. Co. ctfs. of dep.....	3,328,000	......	98	July 28,'97	98½	90	79,000
" con. mortg. g 5's........1939	2,633,000	A & O	19¼	July 9,'97	20	19¼	4,000
" Trust Co. reor cts 1st ins pd	3,916,000	......	24½	July 31,'97	24¾	19½	792,000
Oregon Ry. & Nav. 1st s. f. g. 6's..1909	4,451,000	J & J	111	July 20,'97	111	111	7,000
Oregon R. R. & Nav.Co.con. g 4's.1946	15,174,000	J & D	87¼	July 31,'97	87¼	85	284,000
Oregon Short Line 1st g. 6's......1922	5,325,000	F & A	120½	July 31,'97	121	120	154,000
{ " Trust Co. certs. of deposit	9,606,000	......	119	July 2,'97	119	119	48,000
{ **Utah** & Northern 1st 7's........1908	1,031,000	J & J	119	July 30,'97	119	116½	49,000
{ " g. 5's...............1926	1,877,000	J & J	102	May 24,'94	....	....	....
{ **Oreg.** Short Line 1st con. g. 5's.1946	9,148,000	J & J	92	July 32,'97	92	86	1,751,000
{ " non-cum. inc. A 5's...1946	6,358,500	SEPT.	54	July 31,'97	54	43½	630,000
Paducah, Tenn. & Ala. 1st 5's....1920	....	......	....		....	....	....
" Issue of 1890...............	1,815,000	J & J	....		....	....	....
" Issue of 1892...............	617,000	J & J	....		....	....	....
Panama s. f. subsidy g 6's........1910	1,846,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.							
{ **Penn.** Co.'s gtd. 4½'s, 1st.......1921	19,467,000	J & J	111⅛	July 28,'97	112	111⅛	20,000
{ " reg...................1921		J & J	110½	July 16,'97	110½	110½	3,000
{ **Pitts.**, C. C. & St. Louis con. g 4½'s							
{ " Series A..............1940	10,000,000	A & O	110⅞	July 1,'97	110⅞	110⅞	3,000
{ " Series B..............1942	10,000,000	A & O	110½	July 20,'97	110⅞	110½	7,000
{ " Series C..............1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
{ " Series D gtd. 4's......1945	4,863,000	M & N	102	Apr. 20,'97	....	....	....
{ **Pitts.**, C. & St. Louis 1st c. 7's..1900	6,863,000	F & A	111¼	July 2,'97	111¼	111¼	2,000
{ " 1st reg. 7's...........1900		F & A	109¼	Apr. 23,'97	....	....	....
{ **Pitts.**, Ft. Wayne & C. 1st 7's..1912	2,917,000	J & J	137	July 6,'97	137	173	1,000
{ " 2d 7's...............1912	2,546,000	J & J	138	July 14,'97	138	138	3,000
{ " 3d 7's...............1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
{ **Chic.**, St. Louis, & P. 1st c. 5's..1932	1,506,000	A & O	113	May 14,'96	....	....	....
{ " registered...............	....	A & O	110	May 3,'92	....	....	....
{ **Cleve.** & Pitts. con. s. fund 7's..1900	1,505,000	M & N	113¼	Apr. 14,'97	....	....	....
{ " Series A...............1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
{ " 4½ Series B...........1942	1,561,000	A & O	....		....	....	....
{ **St. Louis**, V. & T. H. 2d 7's......1898	1,000,000	M & N	102	June 18,'96	....	....	....
{ " 2d gtd. 7's............1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
{ **G. R.** & Ind. Ex. 1st gtd. g 4½ g 1941	4,278,000	J & J	107	May 18,'96	....	....	....
{ **Allegh.** Valley gen. gtd. g. 4's...1942	5,389,000	M & S	....		....	....	....
{ **Newp.** & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....		....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	......	108	May 12,'97	....	....	....
{ **con.** sterling gold 6 per cent...1905	22,762,000	J & D	....		....	....	....
{ **con.** currency, 6's registered...1905	4,718,000	Q M 15	....		....	....	....
{ **con.** gold 5 per cent............1919	4,998,000	M & S	....		....	....	....
{ " registered..............		Q Mch	....		....	....	....
{ **con.** gold 4 per cent............1943	3,000,000	M & N	....		....	....	....
{ **con.** Clev. & Mar. 1st gtd g. 4½'s1935	1,250,000	M & N	111	July 8,'97	111	111	1,000
{ **U'd** N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	113¼	Apr. 23,'97	....	....	....
{ **Del.** R. RR.& BgeCo 1stgtdg.4's,1936	1,300,000	F & A	....		....	....	....
Peoria, Dec. & Evansville 1st 6's.1920	1,287,000	J & J	99	June 24,'97	....	....	....
" Evansville div. 1st 6's..1920	1,470,000	M & S	96	June 30,'97	....	....	....
" Tr. Co. ctfs. 2d mort 5's.1926	1,778,000	M & N	15¾	July 19,'97	16	10¼	70,000

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Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	80	June 10,'97	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'96	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
{ " 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
{ McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	106¾	July 28,'97	106¾	105½	45,000
" 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	98	98	5,000
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	73	July 28,'97	73	71½	57,000
" Mort. g. 5's	1891–1941	3,500,000	M & N	83½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	57,243,000	J & J	83½	July 31,'97	83¾	81⅝	1,756,000
" registered			J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	78¼	July 31,'97	78¾	76¼	915,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	66	July 29,'97	66½	64¾	95,000
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	105	July 23,'97	105	105	2,000
" registered			J & D	....	....	....	....	....
{ Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
{ Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	106	July 1,'97	106	106	1,000
{ St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
{ " 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
{ " 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
{ Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	June 12,'97	....	....	....
{ " 2d g. 6's, Class B	1906	2,766,500	M & N	115¼	July 30,'97	115½	115½	1,000
{ " 2d g. 6's, Class C	1906	2,400,000	M & N	115½	July 27,'97	115½	115¼	7,000
{ " 1st g. 6's P. C. & O.	1919	1,036,000	F & A	118	May 23,'92	....	....	....
{ " gen. g. 6's	1931	7,807,000	J & J	113¾	July 30,'97	113¾	113	121,000
{ " gen. g. 5's	1931	12,293,000	J & J	99	July 30,'97	99⅝	98¼	138,000
{ " 1st Trust g. 5's	1987	1,099,000	A & O	89½	July 28,'97	89½	89	3,000
{ Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	110	Mar. 30,'96	....	....	....
{ St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	35	June 11,'97	....	....	....
{ Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
{ St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	70	July 31,'97	70	67¼	130,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	69¾	July 30,'97	70	67½	161,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27½	July 29,'97	28	26	62,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000,000	A & O	102½	June 16,'97	....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	122½	July 15,'97	122½	122½	1,000
{ " Dakota ext'n 6's	1910	5,676,000	M & N	122¾	July 30,'97	122¾	122¾	5,000
{ " 1st con. 6's	1933	13,344,000	J & J	125½	July 28,'97	126½	125½	4,000
{ " 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
{ " 1st c. 6's, red'd to 4½'s		21,248,000	J & J	105½	July 29,'97	105⅝	105	34,000
{ " 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
{ " Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	93½	July 30,'97	93½	93	22,000
{ " registered			J & D	89½	Apr. 23,'97	....	....	....
{ Minneapolis Union 1st 6's	1922	2,150,000	J & J	123	July 10,'97	123	123	10,000
{ Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	119	July 9,'97	119	117½	7,000
{ " 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
{ " 1st g. g. 5's	1937	2,700,000	J & J	106	July 23,'97	106	105	14,000
{ " registered			J & J	....	....	....	....	....
{ Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	107⅛	July 8,'97	107⅛	107⅛	1,000
{ " registered			A & O	....	....	....	....	....
{ Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	107½	July 20,'97	107½	107½	4,000
{ " registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	60½	July 31,'97	61¼	58¼	1,303,000

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San Fran. & N. Pac. 1st s. f. g. 5's,	1919	3,872,000	J & J	100	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	114	July 24,'95	....	....	....
" 1st g. 5's	1934	1,780,000	A & O	....	....	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	42½	Nov. 11,'96	....	....	....
" assessment paid			F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold,	1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's,	1919	5,250,000	M & N	91	July 31,'97	91⅞	80⅞	111,000
South'n Pac. of Ariz. 1st 6's	1909-1910	10,000,000	J & J	99	July 29,'97	99	92	208,000
South. Pac. of Cal. 1st g 6's	1905-12	30,577,500	A & O	108	July 28,'97	108	108	1,000
" 1st con. gtd. g 5's	1937	19,095,000	M & N	91½	July 31,'97	91½	90¼	118,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	83½	July 31,'97	83½	82	123,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	104¾	July 30,'97	104¾	103	103,000
Southern Railway 1st con. g 5's	1994	26,962,000	J & J	91¼	July 31,'97	91⅜	89⅞	1,128,000
" registered			J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	89½	July 24,'97	89½	89	6,000
" registered			M & S	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	109¼	Feb. 3,'97	....	....	....
Atl. & Char. Air Line, income	1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	113	Nov. 9,'96	....	....	....
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	108¼	July 29,'97	108¼	107½	71,000
" divisional g 5's	1930	3,106,000	J & J	116	June 5,'97	....	....	....
" con. 1st g 5's	1956	12,770,000	M & N	109½	July 31,'97	109¾	109⅜	33,000
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	115½	July 31,'97	117½	115½	13,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	113¼	July 29,'97	113¼	113¼	1,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	121¼	July 30,'97	121¼	121¼	20,000
" equip. sink. f'd g 5's,	1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped	1927	3,368,000	A & O	100	June 29,'97	....	....	....
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4-5's	1921	950,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	102	July 27,'97	102	101	31,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	102⅛	July 30,'97	102	101⅜	18,000
W. O. & W. 1st cy. gtd. 4's	1924	1,275,000	F & A	81	July 9,'97	81	81	1,000
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113¾	July 30,'97	113¾	113	2,000
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's	1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	110¼	July 20,'97	110¼	110¼	25,000
" 1st con. g. 5's	1894-1944	4,500,000	F & A	108¼	July 19,'97	110¼	107¾	25,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	103⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅜	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
" Sabine d. 1st 6's	1912	2,575,000	M & S	106	June 12,'96	....	....	....
" con. m. g 5's	1943	1,620,000	F & A	95¼	July 30,'97	95¼	93½	112,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's	2000	21,049,000	J & D	94½	July 31,'97	94½	92	454,000
" 2d gold income, 5's	2000	23,227,000	MAR.	29¼	July 31,'97	29¾	26½	2,613,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	123½	July 29,'97	123½	120	12,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	103	July 28,'97	103⅛	102	50,000
" 1st M. g 5's West. div	1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	75	July 31,'97	75	74	7,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		JULY SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Toledo, Peoria & W. 1st g 4's	1917	4,400,000	J & D	68	July 19,'97	68	68	4,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	77¾	July 30,'97	78⅛	76	159,000
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	100⅛	July 19,'97	100⅝	100⅛	3,000
Union Pacific 1st g. 6's	1896	11,604,000	J & J	101	July 30,'97	103¼	101	7,000
" g. 6's	1897		J & J	104	July 12,'97	104	104	1,000
" g. 6's	1898		J & J	101⅜	July 29,'97	104⅛	101⅜	5,000
" g. 6's	1899		J & J	104¼	July 7,'97	104¼	104¼	3,000
" g. 6's Tr.Co.cfs.ex mat cps 1896		15,685,000	......	102	July 10,'97	102	102	1,000
" g.6's Tr.Co. cfs.ex mat cps 1897			......	103¾	July 30,'97	103¾	102	18,000
" g.6's Tr.Co. cfs. ex mat cps 1898			......	104	July 30,'97	104	102	32,000
" g. 6's Tr.Co. cfs.ex mat cps 1899			......	106	June 22,'97	....	....	....
" collat. trust 6's		8,983,000	J & J	99	July 17,'97	99	98	6,000
" 5's	1907	4,970,000	J & D	76¼	June 24,'97	....	....	....
" g 4½'s	1918	2,000,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs.			......	50	Jan. 23,'97	....	....	....
" gold notes,6's stampd,	1894	8,150,000	F & A	103	July 20,'97	103	101⅛	181,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's	1899	1,391,000	M & S	98	July 30,'97	98	92¼	173,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	111¼	June 7,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		805,000	......	103	July 26,'97	103	103	7,000
" 1st 6's	1896	1,990,000	J & D	114½	May 25,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		2,073,000	......	100½	June 5,'97	....	....	....
" Denver div. assd. 6's	1899	2,836,000	M & N	117⅞	May 27,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		8,051,000	......	102½	May 4,'97	....	....	....
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	81½	July 31,'97	81⅛	73	643,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	31	July 29,'97	31	26¼	46,000
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	23	July 21,'97	23	23	5,000
" Den.&Gulf 1st c. g.5's	1939	15,801,000	J & D	40⅛	July 31,'97	41⅛	38⅛	709,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	105¾	July 31,'97	106	104⅛	346,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	75¼	July 31,'97	75¼	69	460,000
" deben. mtg series A	1939	8,500,000	J & J	....	....	....	....	....
" series B	1939	25,740,000	J & J	25⅛	July 30,'97	25⅛	22⅛	113,000
" 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	95	July 30,'97	96½	95	6,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's	1908	1,000,000	A & O	111	July 20,'97	111	111	1,000
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	106	July 30,'97	106	106	2,000
" gen g. 2-3-4's	1943	10,000,000	A & O	48	July 26,'97	48	47½	6,000
" inc. 5's	1943	10,000,000	Nov.	11¼	June 1,'97	....	....	....
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	3,000,000	A & O	85	July 30,'97	90	85	12,000
" Wheeling div. 1st g. 5's	1928	1,500,000	J & J	90	July 21,'97	90	90	3,000
" exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	33	June 28,'97	....	....	....
" eng. Trust Co. certificates.		10,013,000	......	34	July 31,'97	34	32½	150,000
" income mortgage 5's	1937	7,775,000	A & O	4⅛	July 30,'97	4⅛	4⅛	5,000

UNITED STATES GOVERNMENT SECURITIES.

NAME	*Principal Due.*	*Amount.*	*Int'st Paid.*	YEAR 1897.		JULY SALES.		
				High.	*Low.*	*High.*	*Low.*	*Total.*
United States 2's registered	Opt'l	25,364,500	Q M	....	....	....	....	......
" 4's registered	1907	559,634,000	J A J&O	112	110⅝	112	111⅝	13,000
" 4's coupon	1907		J A J&O	113½	111⅜	112⅜	111⅞	218,500
" 4's registered	1925	162,315,400	Q F	125¾	120¼	125¾	124¼	59,500
" 4's coupon	1925		Q F	126¾	120⅛	126¾	124⅞	192,000
" 5's registered	1904	100,000,000	Q F	114⅝	113	114⅝	113⅝	5,000
" 5's coupon	1904		Q F	115	113	115	114½	20,000
" 6's currency	1898	29,904,952	J & J	103½	103⅛	....	....	......
" "	1899	14,004,560	J & J	107¾	106⅛	....	....	......
" 4's reg. cer. ind. (Cherokee)	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

NAME.	Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	JULY SALES. High.	JULY SALES. Low.	JULY SALES. Total.
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	109	July 29,'97	109	109	2,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	80½	July 28,'97	81	76½	138,000
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	92	July 26,'97	92	92	2,500
B'klyn Union Gas Co. 1st con. g. 5's	1945	13,081,000	M & M	114⅛	July 30,'97	114⅛	112½	248,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	100¼	July 28,'97	100¼	98	86,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	103	July 23,'97	103⅛	101	59,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109⅛	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	96	July 29,'97	96	96	1,000
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	93	July 12,'97	93	93	3,000
" Coupon off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,175,000	J & J	....	....	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's	2397	11,500,000	Q & J	108½	July 11,'97	108½	107½	53,000
" registered			Q & J	106¾	July 12,'97	106¾	106¾	1,000
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	101½	July 30,'97	101	99	82,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	89¼	July 31,'97	90	82¼	757,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	113	July 29,'97	113⅛	113	42,000
" 1st con. g. 5's	1995	2,156,000	J & J	112	July 15,'97	112	112	7,000
" Brooklyn 1st g. 5's	1940	1,500,000	A & O	110½	Feb. 4,'97	....	....	....
" registered			A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.								
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	106	June 25,'97	....	....	....
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,000,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's	1922	8,000,000	J & D	100	July 29,'97	100	99	75,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st								
" g. 5's	1915	1,225,000	F & A	92½	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,755,000	M & S	110	Dec. 4,'96	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's	1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.								
" 1st g. 5's	1926	1,975,000	J & D	107	May 27,'97	....	....	....
" 2d g. 5's	1926	1,000,000	J & D	80	May 4,'97	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	101½	July 31,'97	101⅞	100	61,000
" small bonds				97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	102	July 8,'97	102	102	1,000
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	109¼	Jan. 5,'92	....	....	....
" registered			M & N					
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	85	June 5,'97	....	....	....
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	112	Apl. 5,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,837,000	J & J	101	June 22,'97	....	....	....
Newport News Shipbuilding & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
			......	....	....	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	113	July 7,'97	103	101¼	22,000
" 2d 6's	1904	2,500,000	J & D	109	July 27,'97	109	107⅛	21,000
" 1st con. g 6's	1943	4,900,000	A & O	115⅝	July 26,'97	116	115	4,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's	1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	July Sales. High.	July Sales. Low.	July Sales. Total.
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's	1946	3,000,000	F & A	69¼	July 31,'97	70	61⅛	330,000
" " inc. g. 5's	1946	7,500,000	......	19⅛	July 30,'97	20	12	165,000
Sun. Creek Coal 1st sk. fund 6's	1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,244,000	A & O	80	July 7,'97	80	80	2,000
" Bir. div. 1st con. 6's	1917	3,399,000	J & J	83	July 30,'97	84	80¼	20,000
Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's	1910	2,428,000	F & A	80¼	Apr. 29,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	113	July 26,'97	113	112	15,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's	1933	3,805,500	M & N	101	July 26,'97	101	98¾	15,000
Western Union deb. 7's	1875-1900	3,680,000	M & N	107	June 26,'96	.. .	....	....
" 7's, registered	1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's	1884-1900	1,000,000	M & N	105¼	July 7,'97	105¼	105⅛	1,000
" registered			M & N	105	May 10,'97	....	....	....
" col. trust cur. 5's	1938	8,498,000	J & J	107⅞	July 31,'97	108¼	107	67,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	....	....	....	....	....

Exports and Imports of United States.

MONTH OF JUNE.	Merchandise. Exports.	Merchandise. Imports.	Merchandise. Balance.	Gold Balance.	Silver Balance.
1892	$64,868,387	$72,016,568	Imp., $7,128,231	Exp., $16,635,477	Exp., $1,265,165
1893	65,446,569	69,694,544	" 4,247,975	" 1,701,544	" 2,430,284
1894	59,504,487	51,783,712	Exp., 5,720,775	" 22,376,872	" 2,606,441
1895	54,957,830	61,662,044	Imp., 6,694,214	Imp., 1,963,750	" 3,128,232
1896	66,705,871	56,163,740	Exp., 10,542,131	Exp., 6,077,397	" 3,360,119
1897	74,174,689	84,826,110	Imp., 10,651,421	" 6,978,535	" 4,131,981
TWELVE MONTHS.					
1892	1,030,278,148	827,402,462	Exp., 202,875,686	Exp., 495,873	Exp., 12,855,473
1893	847,665,194	866,400,922	Imp., 18,735,728	" 87,506,463	" 17,544,067
1894	892,140,572	654,994,622	Exp., 237,145,950	" 4,528,942	" 37,164,713
1895	807,538,165	731,969,965	" 75,568,200	" 30,984,449	" 37,674,797
1896	882,606,938	779,724,674	" 102,882,264	" 80,588,649	" 46,944,996
1897	1,051,987,091	764,373,905	" 287,613,186	" 41,298,611	" 50,050,301

New Counterfeit $10 U. S. Silver Certificates.—Series 1891, check letter A.; J. Fount Tillman, Register; D. N. Morgan, Treasurer; small scalloped seal, portrait of Hendricks. This note is a photographic production and printed on a poor quality of paper; no attempt to imitate the silk fibre has been made. Two notes are in possession of the Secret Service office, one printed on two pieces of paper pasted together, the other on single sheet. The back and face of both notes are light brown in color. The numbering is irregular and very poorly executed. The same number (15216777) appears on the two specimens.

— Series 1891, check letter D; J. Fount Tillman, Register; D. N. Morgan, Treasurer; small Carmine seal, portrait of Hendricks. This counterfeit is apparently a wood-cut production, very poorly executed. The portrait of Hendricks is so bad that an attempt to describe it would be futile. The seal is light pink instead of carmine. The numbering is irregular, both in size and formation, and the same number (9850129) appears on the two specimens. None of the small lettering on border, face of note, can be deciphered. The parallel ruling and lathe work bear no comparison with that on the genuine, and the signatures of the Register and Treasurer look like attempts by an unskilled penman. The printing of this counterfeit is as bad as the engraving. Red and blue ink lines serve as imitations of the distributed silk threads in the paper.

BANKERS' OBITUARY RECORD.

Bliss.—Edward A. Bliss, who was formerly a clerk in the Connecticut River Banking Co., of Hartford, Ct., and later identified with banking interests at Lee, Mass., and also in New York city, died Aug. 5.

Cox. - William Cox, for many years employed in the First National Bank, Chicago, and the Chicago National Bank, died July 7. Mr. Cox was connected with the First National Bank for more than twenty-five years as paying teller, and with the Chicago National Bank for seven years, where he was Cashier up to two years ago, when he left to engage in business on the Stock Exchange.

Cummings.—Columbus R. Cummings, a leading Chicago capitalist, and at one time President of the Union National Bank, died July 12. He was born in Canton, New York, sixty-one years ago.

Davis.—Hon. James F. Davis, who was the first Mayor of Ellsworth, Me., and who was elected to that office for several successive terms, died July 15. He was President of the Hancock County Savings Bank, of Ellsworth.

Hillhouse.—Thomas G. Hillhouse, President of the Metropolitan Trust Co., New York, died July 31. Mr. Hillhouse had filled many important positions, having been State Senator, Adjutant-General of the State and State Comptroller, and for twelve years Assistant U. S. Treasurer at New York. In 1881 he organized the Metropolitan Trust Co. and became its President. Mr. Hillhouse was eighty-two years of age at the time of his death.

James.—Henry James, one of the wealthiest and most prominent business men of Baltimore, Md., President of the Citizens' National Bank and its oldest director, died July 27. He was born in Cortland County, N. Y., in 1821.

Lovell.—John P. Lovell, head of the well-known John P. Lovell Arms Co., of Boston, died July 29. He was formerly President of the East Weymouth (Mass.) Savings Bank.

Martin.—Henry Martin, who was President of the Manufacturers and Traders' Bank Buffalo, N. Y., from 1856 to 1885, and also for many years prior to that period President of the Exchange Bank, of Genesee, died July 7, at the age of ninety-four years.

May.—Lewis May, Chairman of the Finance Committee of the Mutual Life Insurance Company and formerly head of the banking house of May & King, New York, died July 22. Mr. May was born in Worms, Germany, on Sept. 23, 1823. After receiving a fair education he came to this country. He had no money, and worked for a time in a book bindery. Later he clerked in a country store in a little town in Pennsylvania. In 1845 he went into business in Shreveport, La., and laid the foundation of his fortune. Five years later he went to San Francisco. In 1851 he came to New York, representing his California house, and in 1857 he closed out his western interests. In 1869 he deserted mercantile life and formed the banking house of May & King. He retired from this in 1884 and has since devoted himself to his various corporate interests. He left a large estate.

Nunnelee.—W. A. Nunnelee, President of the First National Bank, of Bonham, Texas, died July 15. He was sixty-seven years of age and was very wealthy.

Oglesby.—Joseph M. Oglesby, aged sixty-three, for many years Cashier of the Rushville (Ind.) National Bank, died recently. He died at Franklin, O., where he organized and was Cashier of a National bank until a few months ago. He was also Cashier of the First National Bank of Lebanon, O., for many years.

Plumb.—W. S. Plumb, prominently connected with a number of business enterprises, and President of the Southington (Ct.) Savings Bank, died August 1.

Schickhaus.—Edward Schickhaus, President of the State Banking Co., Newark, N. J., died July 10. He was prominently identified with the business and political affairs of Newark.

Talley.—Alex. N. Talley, President of the Central National Bank, Columbia, S. C., died July 6. He had practiced medicine at Columbia for forty-eight years and won distinction in his profession.

Wentworth.—Stephen G. Wentworth, aged eighty-six years, died July 1. He was associated in an official capacity with the Morrison-Wentworth Bank, Lexington, Mo., for a long term of years, and had been connected with the Traders' Bank of Lexington since its organization. He was the founder of the Wentworth Military Academy, and was a public-spirited, progressive citizen.

THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. SEPTEMBER, 1897. VOLUME LV, NO. 3.

THE TENDENCY TOWARD CONSOLIDATION of business, as reflected in the weekly statements of the clearing-house banks of New York city, no doubt results from the great degree of competition that now prevails in the banking business.

The total amount of deposits reported by sixty-five banks on August 21 was $635,997,400. Of this sum $416,620,800, was held by seventeen banks. This list of seventeen was headed by the National City Bank with $56,783,200 and closed with the National Bank of the Republic with $14,171,000. The National City Bank owes its preponderance to its recent absorption of the Third National. There are only two banks in the list that have more than half of the deposits reported by the National City Bank, viz.: the National Park with $36,446,600, and the Hanover with $28,647,300. The Bank of America, Chase National, Fourth, and Importers and Traders' follow with deposits of over twenty-six millions each. The remaining forty-eight of the sixty-five banks have aggregate deposits amounting to $219,376,600.

It would naturally be expected that the tendency to consolidation of business in a comparatively few great institutions would manifest itself in the business and commercial centre of the country. It is not as yet shown by the actual amalgamation of two or more separate banks in one institution, but rather by the preference which seems to be shown by depositors for the institutions showing the largest resources. The deposits in the larger banks of New York are to a large extent made up of the accounts of banks outside of New York, which look to their New York correspondent for support and assistance whenever they require it, both on ordinary and extraordinary occasions. The larger the resources of the central institution the more safely and effectively can this assistance be rendered. The larger the institution, moreover, the more economically can the business be conducted.

Of course New York city like any other place requires a number of banks for affording facilities for its local business. The larger institutions, however, although they do their share of the local business, depend for the bulk of their resources upon out-of-town correspondents.

The economic law, that a real principle founded in financial necessity, although apparently prevented from developing itself by legal enactment, will still have its influence in indirect ways, is illustrated by an examination of the relations which exist between the great banks of New York city and their outside correspondents.

Is it not a fact that although branch banks are not permitted by the National banking law, that one of these large National associations, with its correspondents in almost all the States and cities of the country, really occupies the position and performs the functions of a central institution with regular branches? Perhaps a careful study of the subject might show that almost all the advantages of branch banks are already enjoyed by the people of the United States under the present system. The central bank receives deposits from its correspondents in all parts of the country that have funds that cannot be used advantageously at home and advances these funds to all who require them in parts of the country where they can be advantageously used upon sufficient security.

There are it would seem also advantages in the present system that make it superior to a regular branch system both in protection to the banks and to the public that deals with them. The public by this method has the protection of a greater capital. The capital of the central bank and all its correspondents is of course vastly greater than if any one central bank furnished all the capital used by itself and by regular branches established by it.

It is a mere assumption to claim that if branch banks were permitted that the capital of the country would be any differently distributed than it is now. The experiment has not been tried. It is perhaps true that there is less complaint of the banks heard in countries having a branch banking system, but this lack of complaint is due perhaps to the advantage of issuing circulation possessed by those systems and also because the financial system of the country is not mixed up with political interests.

It is to be doubted whether the impecunious classes in Canada or Scotland or France or England have any more love for their banks, when they cannot get loans without collateral, than do the similar class in the United States for our banks. But in those countries they either do not get the chance to have their tale of woe disseminated on the stump, or if they do complain, the common sense of the community will not listen. The reason why money is higher in rate as a usual thing in the United States is not because enterprise is stifled, but because there is such an abundance of it competing for the use of capital.

Therefore, it is not an unreasonable assumption to hold that the present system of banks in the United States accomplishes all that could be gained under the same circumstances by branch banks.

It is not in this direction that improvement is needed, and to claim it is to throw obstacles in the way of the improvement that is really required. In fact it will tend to confuse the currency question and delay its settlement to raise any issue about branch banks.

The examination of the weekly statements of the New York city banks, as well as of those of banks at secondary distributing points, will tend to confirm the view that through the operations of what is called natural economical law the demand for large institutions, which will bear the same relation to the smaller banks as the parent bank to its branches, will be satisfied regardless of statutes against branches.

The consolidation of nearly two-thirds of deposits made in the commercial centre of the country in seventeen banks is the indication of a process that is still going on. The great preponderance of resources now attained by the largest institution in the New York Clearing-House will, it is believed, force other institutions in self-defense to make similar consolidations.

The greater the concentration of force within certain limits the greater economy of management, and the greater the value of the institution to its correspondents.

It may be anticipated, therefore, that within a few years the banks holding the deposits of outside correspondents will be greatly reduced in number, through judicious consolidations, to the advantage both of their depositors and stockholders. In fact it would not be surprising if the larger proportion of outside deposits were held by four or five banks where now seventeen seem to be required. The men at the head of these institutions would be those who would have been selected for their ability and general fitness. This concentration of power in a few institutions would strengthen New York as a banking centre, and be a source of profit to all who have stock in the several banks.

THE BRANCH BANKING SYSTEM was discussed in an interesting way by Mr. WM. C. CORNWELL in a paper read before the convention of the American Bankers' Association at Detroit. Mr. CORN-

WELL has for some years been an advocate of the system of branch banks, but his recent paper seems to lay more stress upon the obstacles which he recognizes to their introduction in this country. All of the difficulties and obstacles which he specifies have been heretofore adverted to in the MAGAZINE, and at least one other consideration in opposition to them to which Mr. CORNWELL does not refer.

In favor of branch banks he mentions the larger proportion of deposits and business done to capital as compared with the average proportion of capital required in the system of banking now in operation in the United States.

In a former article in the MAGAZINE some figures were given that seemed to indicate that the smaller proportion of bank capital apparently required in countries using the branch system might not be altogether due to the principle upon which that system is based, but to the difference in the concentration of wealth. Thus it was pointed out that as the United States has increased in wealth and population, the proportion of deposits to capital has also increased.

In 1811 in the first Bank of the United States the proportion of deposits to capital was 85 per cent. In 1835 the proportion of deposits to capital in the second Bank of the United States was only 44 per cent. Both of these banks had branches, although the first Bank of the United States encountered less opposition in its business from State banks than did the second institution of that name.

In 1894 the proportion of deposits to the capital of National banks was 337 per cent. This is an actual comparison of figures derived from the business of a branch system working under Federal law and of a system without branches working under a similar law. The great increase of the proportion of deposits to capital in the case of the branchless National banks as compared with the United States banks with branches cannot be due to the difference in the systems. The Scotch banks which have branches show a proportion of about 800 per cent. of their capital.

But the banks in New York city on the other hand, without branches, show deposits amounting to over eleven times their capital or over 1100 per cent.

Therefore, it would seem that the question of proportion of capital to business done does not necessarily depend so much upon the principle of the system upon which the bank operates as upon the conditions of the environment of the institution ; in other words upon the concentration of wealth in its locality.

By the returns of the Canadian banks for June 30, 1897, it appears that their deposits bore a proportion of about 300 per cent. to their capital, or 37 per cent. less than the proportion of the deposits of all the National banks in the United States to their capital in 1897.

Now, it would not be exactly fair to draw the conclusion from these figures that the branch banking system required more capital in proportion to deposits than a system of independent banks. The fair conclusion, therefore, is that the degree to which capital may be reduced in proportion to deposits depends not so much on the system of banking as upon the concentration of wealth and business. If for instance the whole of the United States were as densely populated and as intense in business as New York city, the proportion of capital to deposits might be the same all over the United States as it is in that city or in Scotland.

Therefore, there does not appear to be much in the argument that there would necessarily be any great economy in the use of capital secured by adopting the branch system. But admitting some economy of management and an equalization of the surplus loanable funds throughout the United States, as well as some reduction in interest to borrowers, and an increase of interest to depositors as well as the other advantages enumerated by Mr. CORNWELL, he still admits that to make the branch system a success the banks composing it must be granted the privilege of issuing notes upon the security of their general assets. Would not this privilege granted to the independent banks composing the National banking system also enable them to grant privileges to their customers and depositors with a safety equal to that of banks under a branch system?

In fact there are many reasons to believe that the banks at present doing business in the United States now do all the business that could be done by branch banks under the same restrictions as to circulating notes. If the restrictions on the issue of notes were removed, so far as the retention of an adequate Government supervision would allow, the present banks would respond to all the reasonable requirements of the business of the country.

Mr. CORNWELL, in the conclusion of his paper, agrees that the main obstacle to any improvement in the banking laws is the political situation, and the criterion of possible improvement is political possibility. "The question" he says, "is not, Is it the best? Is it the most advantageous? Is it the most economical? Does it bring in its train the greatest good, prosperity, blessing? Nothing of this. Is it politically possible?"

Just so; but all this as well as the further conclusion, that we are a nation of slaves because we have to submit to the political situation, while eloquent and taking, is after all a confusion of terms.

The "political situation" is the outcome of disagreement among the people of the country as to the proper answer to the questions, "Is it the most economical?" *et cetera*. Some say "yes" to plans for improvement, which will bring in their train the greatest good, prosperity, blessing;" but unfortunately a good many say "no." We that say "yes" are not yet in sufficient numbers to fully impress those who make our laws.

Moreover as to the branch system, there are a good many among those who believe improvement in banking laws needful who would oppose that kind of improvement because of the very economy of administration that would compel not only many bank clerks but also numerous bank officials to seek other means of livelihood.

The majority of voters in their various States, counties, and towns have to be doubly convinced of the necessity of a measure before a majority of their representatives acquire the courage to pass it. The minority in this and in fact all constitutional countries are the slaves of the majority in the sense that they can not compel the latter to do what the minority consider wise and beneficial.

THE LITERARY BANKER is no longer regarded with suspicion, and the day has long passed when depositors removed their accounts because a member of the banking firm dabbled in poetry.

The conventions of the several bankers' associations testify to the surprising extension of literary ability among the members of the banking fraternity. The number of papers presented and addresses made at these conventions is very great, and all of them show considerable skill in presenting facts and enforcing arguments. Many of these papers and addresses betray a wide knowledge of the history and methods of banking not only in the United States but throughout the world. There is also exhibited considerable power in applying principles under new conditions.

Not only do the set addresses and papers indicate the spread of culture among those engaged in banking, but the debates which arise upon passing questions, either of a general nature or relating to the immediate business under consideration, are of a pertinent and conclusive character. In fact every question of importance that arises is sure to be illuminated from every side, in these brief and pointed debates, in a manner that as far as results are concerned puts the more elaborate and inconsequent debates of legislative bodies very much in the shade.

In legislative bodies debates have degenerated more and more from their proper function of enlightening a subject, and have largely become instruments for obstruction and delay. The actual decision of legislative questions is now arrived at in committee rooms, and is guided by the power of the informal caucus more often than by any open discussion in the assembled legislature.

Of course the discussions in the conventions of the bankers' associations do not finally decide any question. Their object is suggestion and influence. But in the end, properly directed, they unite and concentrate the ideas of the bankers of the country and will gradually bring to bear a strong leverage upon a wider public opinion.

The tendency among bankers for the last quarter century at least has been toward a wider publicity in regard to all their transactions. The mystery of banking is growing less mysterious. The public is becoming enlightened as to the true nature and function of banking, and notwithstanding the large class of those who still think it their interest to darken counsel and keep alive prejudices, the public recognizes more and more both the convenience and the beneficence of the banking business.

This good work of the associations, both in enabling the educated banker to show his powers, and in encouraging a just judgment on the part of the public from whom the prosperity of banks must be derived, is as yet not fully developed; but it is increasing in force and power with every yearly round of conventions.

One feature of possible improvement has as yet been neglected. There is a class of men in the country of ability in their line who from conviction or self-interest exert all their powers to keep alive the prejudices of the past against the banks of the country. They portray them as devourers of the substance of the people. Bankers are represented to be the accumulators and misers who withdraw the currency and coin from the channels of business and cause stringencies and money famines detrimental to the public. They belittle or ignore the fact that the banks are in fact only the representatives and trustees of the people who save money. They never try to get behind the managers and trustees of the bank funds, and search out the thousands who have contributed their savings or capital to make up the bank or accumulation. They ignore also the constant stream of accommodations which, flowing from these banks, keeps alive the business and enterprise of the country. They represent the banker as a person who in some mysterious and occult way possesses the power of securing possession of money, and who uses this money to squeeze and rob every industrious person. These persons have plausible and catching theories which they propound to uninstructed listeners and enforce with all the tricks of the platform and the stump. Many of them are perhaps self-deceived and convinced of the truth of the premises on which they base their attacks. If so, they show that being open to one honest conviction, however mistaken, they might be open to another if argument were properly brought home to them.

Why not, therefore, invite some of these persons to expound their views at the bankers' conventions. In each State the prominent opponents of banks who have influence with the masses are well known. Let the association in each State invite their local celebrities of this kind to their conventions. Let them be treated with all due respect and hospitality, and let them understand that a convention of bankers is not a nest of conspirators plotting against the public welfare. Meeting in these conventions has often done much to remove the spirit of suspicion and rivalry which bankers in different parts of the country and in the same State entertained toward one another. Would not the same influence be felt by opponents who attend as invited speakers or guests?

The improvement in presenting their case is the benefit which accrues to bankers from the increase in association, taking them as a united fraternity or guild. But to the individual banker these associations afford opportunity for an increase in personal prestige and fame, that has been seized upon by increasing numbers among them. Where can a young man, who by quiet perseverance and force of character has attained a position of trust in a comparatively unknown bank, have such a chance to make both himself and his bank more widely known than by attending these conventions. If there is anything in him beyond the mere capacity to observe the regular routine of a monotonous and stationary business, he will most certainly at these meetings be instigated sooner or later to bring his unused talents to the front and find employment for them. It is, to use the cant term for the attainment of business fame, an advertisement that if properly followed up will bring him and his bank into a wider field of usefulness to be followed naturally by increased profit. But the associations and conventions alone do not afford the full measure of expansion that may follow the exercise of his powers. They give a certain acquaintance with useful associates, but it is not among these associates alone that a rising banker desires to be known and appreciated.

These associations, extensive as they are, do not by any means include all the bankers of the country. Nor do the reports of their proceedings reach all the bankers. Most of the associations publish the speeches and addresses made at their conventions, but these are not calculated to make the impression which much of the matter in these publications might if not buried among so much that is less pertinent.

The ancients recognized the fact that there were great men before AGAMEMNON, but that they were unknown because they lacked a judicious historian to chronicle their actions worthy of fame. The fame of great men generally rests not on the preservation of every incident of their lives, but on the actions and sayings which are called characteristic, that is which the historian thinks will tend to build up the ideal character. Too minute a chronicle tends to belittle rather than to magnify. The selection of the principal and important points in the proceedings of bankers' conventions has been the aim of the MAGAZINE. Its readers are not burdened with the perusal of all the petty detail, the padding in which the valuable nuggets of banking experience are imbedded.

During the last half-century the MAGAZINE has given the history of every prominent action undertaken by the bankers of the United States. It contains reports of the proceedings of the conventions since bankers first began to associate. But while the MAGAZINE is thus an important factor in spreading and preserving the fame of those who participate in these meetings, and while naturally the banks they represent receive indirect notice, it would be of still more utility to them if they should in addition avail themselves of its facilities for advertising them in a regular and continuous manner. An advertisement in a banking publication of the first rank is rightly valued by the managers of the leading banks in the country. It not only is an important factor in maintaining their pre-eminence, but it tends to consolidate and increase their lead over other institutions. Any bank officer or manager who is ambitious for the future of the institution he represents, can extend its influence by patronizing the MAGAZINE. The notice attracted by the display of ability on the part of a bank official at the association conventions is crystallized and preserved by keeping the name of the bank, its resources, and its officers constantly before the public through an advertising medium of first-class authority.

In this age of competition any legitimate means of placing one's interest in a position to attract the elements of growth, require ability, attention, and expenditure.

THE PRICE OF SILVER BULLION has been falling gradually until at present writing the price is about fifty-two cents per ounce. This unexampled reduction is ascribed to the marketing of the products of the silver mines in anticipation of a still lower market. Some authorities believe that silver may go as low as twenty-five cents per ounce, and that large quantities will be produced even at that low figure.

In the presence of this great falling off in the value of silver the arguments for free coinage at a ratio of sixteen to one seem to fail those who have heretofore been ardent advocates of that measure.

In Iowa Gov. BOIES has publicly declared the impracticability of free coinage at the ratio named, and now advocates the restoration of silver by the plan recommended by Mr. WINDOM in 1889. This, as our readers will remember, was to issue Treasury notes against silver bullion at the market price of silver when deposited payable on demand in any such quantities in silver bullion as will equal in value at the date of presentation the number of dollars expressed on the face of the notes at the market price of silver, or in gold at the option of the Government or in silver dollars, at the option of the holder.

The practicability of this plan of Mr. WINDOM'S, and all similar plans, depended entirely on the belief that the effect of putting it in operation would be to cause a gradual rise in the market price of silver. If this belief had been or is well founded the Government would in the long run have to pay out a less quantity of silver in the redemption of the notes than it received for them when issued. But if on the contrary the price of silver continues to fall, then the Government would be compelled to pay out larger quantities of silver bullion in the redemption of the notes than it received for them.

The only way in which the value of such notes could be maintained would be by the purchase of additional silver bullion or by using the option to pay them in gold.

It is the faith that by its means the price of silver will be raised that gives plausibility to this plan of Mr. WINDOM'S. In any event moreover it would be fair to those into whose hands the notes happen to come. They would always be able to receive in their redemption either a gold dollar or a gold dollar's worth of silver. But in the event of a continuous decline in the price of that metal the Government would be the loser.

The assumption in all plans for artificially upholding the price of silver bullion by Governmental power is that the strength of the Government is unlimited. In other words it can stand risks and losses to any extent.

The history of silver since 1878 has been one of attempts to bolster up the price by the power of the Government, and yet in spite of these efforts the general tendency has been downward. There have been spasmodic recoveries from time to time, but none of them have been lasting.

Since 1878 the Treasury has altogether purchased 459,946,761 ounces of silver at a cost of $464,210,263, or a little over one dollar per ounce. The market value of this silver to-day at fifty-two cents per ounce would be $239,172,316. If therefore the plan of Mr. WINDOM had been put in operation in 1878, and the market had fallen as has been the case, the loss to the Government would have been over 230 millions of dollars. It is not probable that the plan if adopted in 1878 would have raised the price of silver. It would have stimulated production to have had the privilege of converting the product into notes which the Government was pledged at all future times to redeem either with a gold dollar's worth of silver or with a gold dollar, or with a silver dollar which the plan anticipated would be kept equal with the gold dollar.

It is the vast production of silver that has brought down the price, and this production would have been further stimulated if a plan similar to Mr. WINDOM'S had been adopted in 1878. The outcome would have been similar to that of the silver-purchase Act of 1890. The silver dollar could not have been kept equal to gold by all the strength of the Government and in due time a panic would have followed these issues of proposed WINDOM notes exactly in the same manner as it did the issue of the Treasury notes of 1890.

The Government has not however as yet actually lost the difference between the purchase price and the present value of silver. Of the 459,946,761 ounces of silver bullion purchased all but an amount valued at $105,109,460 has been coined either into silver dollars or into subsidary coins. The actual number of ounces required to coin the silver dollars now outstanding amount to 349,588,901, and deducting this from the amount purchased leaves the actual number of ounces now in the Treasury 110,357,851, held therefore at a valuation of a little less than one dollar per ounce. If this were to be sold at the market price it would bring about fifty-eight millions of dollars. Its sale however would cause a further depression in price.

If gradually coined into silver dollars the silver bullion now held will add $142,684,900 to those now coined, making a total of silver dollars of $594,678,642.

This stock of dollars may, no doubt, by proper financial devices be kept at par in gold in the same manner as an equal stock of paper money can be kept at par. France has a stock of five-franc pieces amounting to $434,300,000 which are a legal-tender and are kept at par by the credit of the Government acting through the Bank of France. The population of the United States is more than double that of France, while the extent of territory is incomparably larger. These differences of environment will make it less difficult for the United States to carry the silver dollars and keep them at par than it is for France to sustain the legal-tender value of her five-franc pieces. But in the case of both the success of the effort depends on the limit fixed upon them.

If in the United States the plan of Mr. WINDOM revived by Gov. BOIES were to-day put in operation, it would immediately add to the weight of a burden that is already crushing.

It is not to be believed that were Mr. WINDOM alive to-day that he would now in 1897 advocate a plan that seemed feasible to him in 1889. The silver question has been one that has educated the statesmen as well as the people of the country gradually. The opinions of men who were high authorities in 1878 will be found to have changed from time to time in the years which have elapsed since that date, as the view of the subject has been widened by experience of the application of various theories.

In the case of a statesman who is no longer alive, opinions and plans proposed in the past are no criterion by which to judge their opinions and plans if they had survived. Changing conditions lay all real statesmen open to the charge of inconsistency. Gov. Boies himself is an example of this in his abandonment of free coinage and coming to the advanced position taken by Secretary Windom in 1889. It would have been no greater change if Mr. Windom, surviving to this time, had abandoned, as he probably would have done, the plan that seemed feasible to him, on at least plausible grounds, eight years before. Nor does it seem likely that the price of silver has yet reached its minimum. Authorities of some note prophesy that silver will be sold for twenty-five cents an ounce. This opinion seems to be based on the asserted fact that there are mines which can profitably produce silver at that price. There are also many mines producing other metals which produce silver as a bye product. In 1890 it was predicted that the price of silver would fall to fifty cents an ounce and these predictions have to-day been practically fulfilled. The recent diminution in price appears to have been chiefly due to the belief of the miners that prices are sure to fall and their desire to realize before they reach the lowest point.

In the face of all the evidence past and present that can be obtained it seems useless to further keep up the agitation for accomplishing a hopeless task. It will be better in the long run for the price of silver to abandon it. With no attempt at artificial stimulation a level will finally be reached which in the end will make silver mining a more certain and profitable industry than it can possibly be while this feverish agitation to bring about an impossibility is maintained.

The commimtee on uniformity of laws made a very interesting report at the recent meeting of the American Bankers' Association. The report deals with what is now a very timely and practical subject.

The committee recommended that the Negotiable Instruments Law, which has already been adopted in New York, Connecticut, Colorado and Florida, be urged upon the different State associations as a suitable and proper law for them to present to their several State Legislatures for passage; and also that a committee be appointed whose duty it shall be to correspond with the several State associations, and to look generally after the passage of the law by the several State Legislatures.

In this connection we take the liberty of making the suggestion, that all efforts of the banks in this direction be in co-operation with those of the Commissioners on Uniformity of Laws. Such commissions exist in the following States: Colorado, Connecticut, Delaware, Georgia, Florida, Illinois, Iowa, Kansas, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Rhode Island, South Dakota, Wisconsin, Wyoming, Vermont, and Virginia. The President of the national organization is Hon. Lyman D. Brewster, of Danbury, Connecticut, who has taken a large interest in the work of the various commissions, and to whose efforts it is due in large part that the work so far done has been accomplished.

As the Negotiable Instruments Law was prepared for the Commissioners on Uniformity of Laws, and at their direction, and as the movement was inaugurated by them, and is within their peculiar province, it is only an act of courtesy in allowing them to retain the direction and control of all efforts to procure the adoption of the law in other States; moreover, entirely independent efforts might conflict with the plans of the commissioners, and in some ways might embarrass them. The commissioners, we are assured, will be glad to have the co-operation of the banks in the matter; but all efforts of the kind should be in conjunction with those of the commissioners, and should be under their advice and direction.

In those States where there are no such commissions the banks will of course be compelled to act solely upon their own responsibility.

We think it would be well to keep prominently before the different Legislatures the fact that the law was prepared not for the banks but for public officers representing a number of different States, and that fourteen different States were officially represented at the conference at which the draft was approved and adopted. It would also be wise to secure the co-operation of the various boards of trade and chambers of commerce, and other business organizations.

POSTAL SAVINGS BANKS are institutions which in the opinion of the MAGAZINE are not demanded under the conditions now prevailing in this country. There is some satisfaction in having this view endorsed by so eminent and practical an authority as Col. MYRON T. HERRICK, of Cleveland, who is the chief officer of one of the large Savings banks of the country.

In the June number appeared some considerations going to show that the field occupied by postal Savings banks instituted by government in European countries was already satisfactorily filled in the United States by Savings banks started and managed by private enterprise.

The United States has no reason for permanently increasing its debt, and if these postal banks were established and the money of the people taken, the Government could not profitably invest it and the result would be that interest would have to be paid from the proceeds of taxation. Mr. HERRICK, in an address before the American Bankers' Association at the Detroit convention, enforces the same view of the subject. In fact the managers and depositors of the Savings banks of the country might naturally be expected to take this view. But nevertheless it appears to be the only sound one to advocate. The people of the United States have been encouraged, by a long course of prudent and skillful management by the Savings banks, to have faith in them as institutions that conduce to their welfare and profit.

These banks have encouraged saving and enterprise on the part of the people and the great growth of deposits of this character indicates more surely than any other fact the general improvement of the condition of the masses of the people.

In Europe the same process of educating the people in economy and saving has had to be accomplished by the more arbitrary and less satisfactory machinery of postal Savings banks. Those Governments to increase their revenues have monopolized a business that could just as well be left to private enterprise. In the same manner some European Governments increase their revenues by monopolizing the sale of tobacco and salt. It may be necessary there for financial reasons. It is not necessary in the United States. The nearest approach to that sort of thing in this country may be seen in the dispensary laws of the State of South Carolina where the sale of liquor is controlled by the State. Its success in South Carolina does not appear to be such as will induce other States to follow her example.

Another branch of this subject is the school Savings bank. As institutions for educating children in the care of money and property they cannot be too highly praised especially when kept strictly within the limits of their proper object. These banks in the United States should be fostered by philanthropic enterprise. They are not only feeders to the regular Savings banks directly, but they educate the rising generation to become depositors as they grow up. This being the case, it would not be out of place for the Savings banks of the country to take measures to encourage the organization of a savings department in every school district throughout the country. This could be done at small expense by the sending of circulars to school boards and teachers. The cost would be hardly appreciable compared with the benefit conferred and eventually received.

9/97

THE RETURN OF PROSPERITY.

The signs of returning prosperity have multiplied during the past month, and the activity of business seems to be increasing throughout the country. After over four years of depression during which there have been frequent attempts made to galvanize the listless enterprise of the people into new life, it is not strange that these signs of a real revival should be viewed with some measure of doubt. After so long a state of collapse people have to learn gradually what health is. Returning strength has to be tested by degrees to see that it will become lasting. Nor has the prosperity which now seems to fill the horizon with sure presage of its coming been due to any cause which could have been reasonably predicted. It is the result of the operations of nature more than of anything that has been accomplished by human effort.

During the dark years that have preceded men have insisted with lamentable reiteration that something should be done; that we should have free coinage of silver, that we should adopt the gold standard definitely, that the tariff bill should be passed, that the currency should be reformed, that trusts and corporations should have their devastating greed repressed. The Government has been looked to with the childlike faith of American citizens as the only possible source of relief.

If men could have agreed as to any one of these remedies, they would have been realized. The Government, however, has contented itself with settling the tariff legislation of the country. It is not the present purpose to discuss the effect of this measure. In fact it is too soon to pronounce conclusively what its effect will be, and for this very reason the apparent revival of business cannot properly be ascribed to it either wholly or in part.

The moral effect of having so disputed a question decided and laid at rest for a time may, in combination with more potent causes, have had a bracing effect.

The real factor which has begun to restore confidence and render the minds of men hopeful for the future has been the circumstances which throughout the world have surrounded the wheat crop of 1897. The season has been unfavorable to the production of this grain, the staff of life, on which the nations lean, in all the countries of great production except the United States. Here there is almost certain assurance of more than an average crop, and the deficiencies in other lands must be supplied from our surplus. The crop in France is deficient. In Austro-Hungary the early promise has been blighted by storm and flood. In Germany and Russia there will be little more than the necessary home supply. In India the famine will prevent exportation. The crops of the Argentine Republic and Australia are comparative failures.

Naturally all these unfavorable reports had their effect in enhancing the value of the crop in the United States. The prospect of high prices has been turned into reality by the continued pressure of the foreign demand, and as yet the only uncertainty is the extent to which the value of a bushel of wheat will enhance as the year develops itself. A high price for wheat and the demand for its transportation to market will benefit not only the farmer but the middlemen, the speculators, the railroads and all the lines of water transportation. This again will react on the manufacturing interests and on the labor and money market. As the price of wheat enhances that of other grains, corn, oats and barley, must naturally be favorably affected. The high price of wheat will compel the use to a greater extent than usual of the coarser grains.

The cotton crop, too, promises well although the price is not so extraordinarily affected. But the returns for this crop, supplementing those from exported cereals, will tend to enlarge the stream of values flowing towards this country from abroad. Importations must therefore be ultimately enlarged.

The new tariff, not yet fairly on trial, has not as yet increased the revenues appreciably. Importations in anticipation of the change in the law were large during the last few months of the old law, and the stocks on hand would have been still larger, had it not been for the uncertainties which hung over business during the beginning of the year. But the necessity for paying for the products which this year must be obtained from the United States will oblige foreign purchasers either to send back our securities held abroad or gold, or their own goods and manufactures. If the tariff prove too highly protective, as is claimed by some, then more gold and securities and less imported goods will result. The increase of wealth from the exported goods will however seek investment and such securities as are returned will be readily taken up. But if foreign nations, seeing the returning prosperity of the United States accompanied by greater returns on American securities, prefer to continue to hold them, they will make an effort to pay for their purchases here with their own goods and to adjust the prices so as to put the goods on the markets in spite of the tariff. This effort, if successful, will tend to reduce the injustice which the opposers of the tariff say it will work against the consumers of the United States. It will also increase the Government revenues and add to the confidence in the permanency of the revival of business.

As was previously stated the crop of 1897 and its relation to the crops in other parts of the world was something that could not have been foreseen. But the faith that in the midst of adverse circumstances—when wheat brought only fifty cents a bushel—sowed and tended and cared for these growing crops, was at least a favorable though unreasoning human agency. What wise man, when wheat was at the low prices of 1896, would as a remedy for the hard times have advised a great sowing of wheat for the harvest of 1897? In fact many papers giving advice to the discouraged farmers recommended them to abandon wheat, in producing which they came into competition with the ryot of India and the fellah of Egypt, and go into something that would bring a better price. It was prophesied that the days of dollar wheat were done; that so many new countries filled with cheap labor had been opened that the price of this staple must continue to decline. But it is no new experience of the wise to have their words turned to foolishness, through the unexpected, which so often happens.

The upshot of all this is that while there was a great deal of despondent talk, a great deal of lamentations, of fault-finding; a great display of sapiency among wiseacres and others, and a loud sound of various kinds and sorts of contention, it seems there were quite a number of the people who were saying little but were working hard even if they were competing with the Indian ryots and the Egyptian fellahs. And although the results of the labor of the raisers of grain are as yet the most favorably in evidence, it will be found that in other lines there were also people who were able to work quietly and steadily with a faith in hard work if in nothing else, while the clash of the Dead March in Saul over buried industry went on around them, and the boom and excitement of empty political strife filled the air.

Providence quite frequently takes care of people like this in an unexpected manner, though the people of India do really seem to have been somewhat neglected.

All the questions of administration and management, to which class the currency and tariff belong, seem to sink into insignificance in the presence of such a correlation of unforeseen circumstances or, in the vernacular, of luck like this. But it is the errors in such matters of administration that make events like these seem so lucky. It is the mistakes that the country has made in her currency laws that have prevented and will prevent the taking full advantage of the seven years of plenty and have deepened the adversity of the seven years of famine. Therefore let not the lessons of the past years of depression be forgotten in the tide of returning fortune.

INDIFFERENCE OF FOREIGN INVESTORS.—Despite the heavy speculative buying of stocks since the recent marked rise in prices began, London has been, with occasional and fitful exceptions, a persistent seller of American securities. This may have been in part due to the desire to take profits and to sell in a rising market, though in view of the large margin for a still further rise, and increased earnings of investment securities, this explanation is hardly tenable. Nor can distrust of our currency account for the apparent disfavor with which American securities seem to be regarded abroad, as nobody who is informed as to the political affairs of the country can question the disposition and ability of the Government to maintain the gold standard.

In the August number of "The Journal of Finance" (London), Mr. S. F. Van Oss, the editor, and a financial writer of acknowledged ability, calls attention to the great desirability of certain classes of American bonds as safe investments yielding a good return. The indisposition of the London investors to take advantage of these opportunities is also commented on by the editor, who regards it as almost inexplicable.

The concern expressed by the London journal is not reflected by prevailing sentiment here. On the contrary the New York market has readily absorbed the returned securities and eagerly cried for more. From present conditions it would seem that there is less dependence on London than formerly and that there is a corresponding advance in the power of New York as a money center.

The refusal of foreign investors to retain or add to their holdings of American stocks and bonds will, of course, reduce the amount of interest to be remitted abroad, and it is better that these securities should be returned to us now when the market can easily absorb them than at some future time when the conditions might not be so favorable.

FOREIGN BANKING AND FINANCE.

The Negotiable Wealth of France.

The increase in the wealth of France in the form of negotiable securities and the fall in the rate of interest there are the subjects of interesting discussions in both "*L'Economiste Européen*" and "*L'Economiste Français*" for the week of August 7. M. Edmond Théry discusses in the first-named journal the great increase in both the nominal capital and the market value of negotiable securities, while M. Paul Leroy-Beaulieu, the eminent editor of "*L'Economiste Français*," discusses the results of increase in wealth upon interest rates and investments.

M. Théry takes the calculations made by M. Alfred Neymarck in 1893, which put the total of securities held in France at 66,000,000,000 francs ($12,500,000,000), and makes revisions and additions to bring the figures into accord with recent investigations. He computes the number of securities dealt in on the Paris Bourse in 1880 at 465 with a nominal value of 45,821,-300,000 francs ($9,000,000,000), and an actual market value of 46,507,800,000 francs. The number of securities had increased in 1890 to 534, with a nominal capital of 61,714,000,000 francs and a market value of 60,075,000,000 francs. The figures for July 1, 1897, were 488 securities, with a nominal value of 63,672,900,000 francs and a market value of 69,489,200,000 francs. The development, therefore, between 1890 and 1897 was of a different character from that of the preceding ten years—the increase in the latter period having been more largely in the quotations of existing securities than in their face value. Various conclusions might be drawn from these facts by the supporters or opponents of bimetallism in regard to the character of industrial development, but it is evident that the adherence to the gold standard has not prevented a great increase in savings, even expressed in gold.

One of the significant facts upon which M. Théry lays stress is the increase in the quotations of the national funds, due partly to the fact that the new issues between 1890 and 1897 possessed a face value of only 730,000,000 francs while the issues between 1880 and 1890 were 4,868,200,000 francs. The increase in the market value was actually less than the amount of the new issues in the earlier period by 664,000,000 francs, while the increase in market value between 1890 and 1897 was 2,961,800,000 francs, or more than four times the increase in the issues.

M. Théry calculates that French national securities paid an average net return of 3.80 per cent. on July 1, 1880, while the quotations of 1890 gave a return of 3.55 per cent. and of 1897 only 2.97 per cent. This branch of the subject is discussed more fully by M. Leroy-Beaulieu, who points out that French securities of nearly all kinds have advanced within ten years in comparison with those of Belgium, Holland, Germany and Austria. The French three per cents. are now quoted at 105, Belgian three per cents at 101.5, and the Dutch three per cents at 99.5 to 99.75. These relations reverse those of ten years ago, when the Belgian and Dutch securities were quoted at the higher rates and paid a lower return than the French. The same facts are true regarding municipal and railway securities. M. Leroy-Beaulieu attributes this change primarily to the enormous savings of the French people, but he points out also that the French have become too timid in seeking new investments and have concentrated their savings so much upon the public securities, in order to obtain safety, that they have unduly raised their price. He urges that investors should be content to carry ten to fifteen per cent of their funds in evidences of the public debt, should devote other portions to unquestionable railway and municipal securities, and should be willing to study carefully enough securities of variable value to invest in them a portion of their resources. "Everybody," he says, "wishes exactly the same securities, the best known, those which have the widest market. If they would apply more skill to investments and diversify them, they would obtain better results."

He refers to the bonds of the Austrian railways, which were formerly quoted about five per cent. below similar French securities, affording neither greater safety nor higher returns, but which have risen somewhat under his repeated representations in his journal of their value for investment. He suggests that industrial securities may very properly form a small part of the investments of those who can afford to take slight risks and that an occasional loss upon one is likely to be offset by increased returns upon others. M. Leroy-Beaulieu does not refer to American securities, but the discussion of the great accumulations of capital in France and the low rate of interest suggest the resources which would be open to American promoters if the United States would retire the Government notes and adopt a scientific currency system.

Currency Reform in Chile.

The Chilean Government has prepared a plan for the reform of the bank-note system, which at last accounts was pending in the Legislature. The system is similar to that of the United States in requiring the bank notes to be covered by securities to the amount of twenty per cent. in gold and to the amount of eighty per cent. in mortgage bonds of the mortgage banks. Foreign banks are permitted to substitute foreign bonds for this security to the amount of forty per cent. of the whole issue, or half of that not covered by gold. Bank notes will be issued through an issue department of the Government and will be of uniform character. The gold reserve will be in the custody of this department and the banks will pay a tax of one per cent. on their maximum issues, in order to defray the expenses of supervision. Restrictions are imposed upon loans to managers and directors, and even loans to shareholders are not permitted to exceed in the aggregate twenty per cent. of the capital. The circulation is limited in any case to the amount of the capital and in case of liquidation the guarantees become the property of the State, for the purpose of redeeming outstanding notes. The new banking currency will take the place of the national paper currency which was put out during the domestic and foreign troubles in Chile and which has recently been in process of retirement. The last report of the Minister of Finance to the Chamber of Deputies, in January last, showed that at the beginning of the conversion of the paper money the amount in circulation was 29,459,364 piasters ($10,000,000). This amount was reduced on December 31, 1896, to

3,930,296 piasters, and of this 1,500,000 piasters are supposed to have been destroyed. The banks also were engaged during the process of specie resumption in the substitution of gold coin for notes, and reduced the amount of notes outstanding from 21,338,753 piasters to 11,207,393 piasters. The total of Government notes and bank notes outstanding on December 31 last was 15,196,189 piasters, against which the Mint held 8,101,413 piasters in gold and the banks about 8,000,000 piasters. The excess of gold resources, amounting with the lost notes to several million piasters, was carried to the credit of ordinary expenditures for 1897. The new bank circulation, being purely a secured circulation, will not add greatly to the elasticity of the currency, but will permit the substitution of paper for coin in every-day transactions.

The New Spanish War Loan.

The loan recently placed by the Spanish Government, for the purpose of defraying the cost of putting down the rebellion in the Philippines, was as eagerly subscribed by the Spanish banking houses as the celebrated loan of 400,000,000 pesetas for putting down the insurrection in Cuba last autumn. The loan authorized was for the amount of 200,000,000 pesetas ($40,000,000), but the Minister for the Colonies decided to offer only half, amounting to 200,000 bonds of 500 pesetas each. Of the remaining half, 150,000 bonds are reserved for the reimbursement of advances made to the Colonial Treasury by local firms and banks at Manila and 50,000 bonds are kept in the Treasury for future use. The interest on the bonds is payable in Spain in pesetas at the rate of six per cent. and is guaranteed by the proceeds of the customs of the colony and by the Imperial Treasury of Spain. The issue price was fixed at ninety-two, and the Ministry indicated some misgivings by arranging with a syndicate to float the issue at a commission of two and a half per cent. on the whole amount and a special commission in addition of half of one per cent. for the Hispano-Colonial Bank, of Barcelona. Events proved that these precautions were unnecessary, for the loan was subscribed more than five times over. The subscriptions in Madrid were for 441,132 bonds, at Barcelona for 244,198 bonds, and in the provinces for 359,189 bonds. The Madrid correspondent of "*L'Economiste Européen,*" in the issue of July 23, expresses the belief that this prompt and patriotic response to the appeal of the Government indicates the importance of the resources which the country still possesses and the confidence of the public and ought to increase the credit of the country abroad.

Economic Reform in Portugal.

The necessity for a radical change in existing fiscal and currency conditions in Portugal has so strongly impressed the Government that a comprehensive programme for the conversion of the debt, the reorganization of monopolies and taxes, and the reform of the statutes of the Bank of Portugal, has been communicated to the Chambers by the Ministry. The report submitted by the Minister of Finance shows that exchange on Paris, which is 535.71 reis for three francs at par, has risen from a minimum of 537 in 1890 to a maximum of 757 in 1896 and 825 in 1897. The sums expended by the Treasury for loss of exchange on payments in gold abroad have averaged a little more than

2,000,000 milreis ($2,160,000 at the old gold parity) per year for the last five years and are estimated at 3,641,052 milreis for the current fiscal year. Banks and other corporations which have gold payments to make abroad have suffered equally. The Government now proposes the reform of the court of accounts, the conversion of the interior debt, the conversion of the exterior debt at a rate not exceeding one and a half per cent. in real interest in gold, and the modification of existing contracts with the Bank of Portugal. The limit of circulation of the Bank is not to exceed five times the paid-up capital, the guarantees for the circulation are to be consolidated, and greater facilities are to be extended to commerce, industry, and agriculture and to the Treasury. The Government hopes to avail itself of the new loans to obtain gold with which to regulate exchange and restore a more satisfactory and normal condition to the public finances.

Banking Reform in Italy.

The application of recent legislation to the banking situation in Italy seems to have produced some improvements. The debate on the budget, which occured just before the adjournment of the Chambers in July, brought out a statement from the Ministry that the three banks of issue have reduced their locked-up assets from 611,423,719 lire at the beginning of 1894 to 460,775,054 lire on May 31, 1897. Of this amount, 309,066,790 lire belongs to the Bank of Italy, 137,739,031 lire to the Bank of Naples and 13,969,242 lire to the Bank of Sicily. The bank-note circulation at the same date and the metallic reserves were as follows:

	Circulation.	*Reserves.*
Bank of Italy	736,213,290	425,090,715
Bank of Naples	215,631,398	116,076,769
Bank of Sicily	47,090,212	38,343,475
Total	998,934,900	579,511,059

The actual circulation is now 76,000,000 lire less than the limit fixed by law, which is 1,074,000 lire. The proportion of the reserves to the note issues is 52.34 for the Bank of Italy, 45.67 per cent. for the Bank of Naples, and 56.22 per cent. for the Bank of Sicily. The improvement in the condition of the banks is indicated in some measure by the quotation of their shares, which is 430 lire for the Bank of Naples, and above par for the Banks of Italy and Sicily. The deposit accounts have increased already in all the banks since the new law took effect on July 1, providing for a special guarantee of the circulation under the supervision of the Treasury.

Charter of the Bank of France.

The French Parliament was prorogued on July 20 for three months. The proposed new charter of the Bank of France was pending in the Senate, but there is a strong probability that the bill will have to run the gauntlet of the Chamber of Deputies again before it becomes law. The Bank objects to the provision of the new charter that when the rate of discount is raised above five per cent., three-fourths of the profits derived from the excess shall revert to the State. M. A. Neymarck states in his paper, "*Le Rentier*," apparently on good authority, that the Bank refuses to accept this modification of the original convention, which simply provided that the excess of profit should be added to the capital of the Bank. The Bank further objects to a provision of Article 3, regarding the payment to the State, because it constitutes an implied admission of the right of the State to examine the accounts and exercise a control over the operations of the Bank. The Bank has always resisted proposals for a share of the profits by the State, as the State would in such a case occupy the position of a partner, and be entitled to claim an inspection of the accounts submitted to it. Another addition to the bill made by amendment in the Chamber and disliked by the Bank, is that which disqualifies the Governors from being members of the Legislature. But as the Government have a right to appoint the Governor, the Bank would not pretend to control the Government in their selections, and is prepared to submit. It is even reported that M. Magnin, the present Governor, would resign that office in order to retain his seat in the Senate. The name of M. Labeyrie, Governor of the Crédit Foncier, has been mentioned as his probable successor should that clause be maintained by the Senate.

The Paris Clearing-House.

The operations of the Paris Clearing-House for the year ending March 31, 1897, exceeded any previous record by about 200,000,000 francs. The total value of checks and bills settled by the clearing-house was 7,549,526,000 francs, of which 4,874,062,000 francs was settled by clearings, and 2,675,464,000 francs by drafts. The largest month was January, 1897, when the total settlements were 718,215,900 francs.

The record of settlements through the Paris Clearing-House has been somewhat variable, but has now attained more than four times the volume for the first year—1872–'73—when the amount was 1,602,584,000 francs. There was a pretty uniform increase up to 1882, when the amount was 4,545,104,000 francs. There was then an arrest of activity until 1888, when improvement again set in and carried the total clearings for 1891 up to 6,003,883,000 francs. There was then another period of depression, which reached its lowest point with settlements of 4,715,230,000 francs in 1893. Improvement began again, which resulted in settlements of 5,379,348,000 francs in 1894, 6,143,528,000 francs in 1895 and 7,351,990,000 francs in 1896.

The proportion settled by drafts upon the Bank of France has been more variable than the total settlements, having been as low as 615,902,000 francs in 1895, and risen to 2,435,196,000 francs in 1896. These settlements between the Paris banks are only a small percentage of the settlements through the Bank of France and its branches.

Reconstruction of the Australian Banks.

There is still friction in Australia between the banks which weathered the crisis of 1893 and those which suspended payments and were compelled to make new adjustments with their creditors. Some of the sound banks are charging that the failed banks are taking advantage of their reorganization to set up a claim of greater solidity than the others, and the excess of banking facilities is suggesting the query whether it would not have been better if some of the suspending banks had gone into liquidation instead of continuing business by the issue of time certificates to their depositors without reduction of the principal of the deposit. The Melbourne correspondent of the "London Economist," in the issue of August 7, discusses the existing situation thus :

"As against the case presented above, it is sometimes alleged that the great sound institutions actively show antagonism to the rest. There is, however, no justification for this belief. It is true that lending rates have been materially reduced, and that exchange rates are much more favorable for the solid trader, but the changes have been forced upon the strong banks by events. Had they declined out of consideration for the weaker ones to adopt those measures which modern exigencies demand, they would simply have lost their business, or a considerable portion of it, to new competitors. In exchange operations this is particularly true, for more than one London exchange house, not to speak of foreign banks, is trying to obtain a substantial footing in Australia. The broad fact remains that until the reconstruction era has passed away, local financial conditions must remain more or less unsatisfactory."

BANKING AND FINANCIAL NOTES.

—The Imperial Bank of Germany seems likely to be compelled to run the same gauntlet of agrarian opposition when it seeks the renewal of its charter which is now being run by the Bank of France. The charter of the Imperial Bank runs until January 1, 1901, when the Government has a right to revoke it. The decision lies with the Reichstag, which must give the approving vote. The question now is whether in 1900 the Reichstag will contain an agrarian majority. The probability of this is small at present, and everything depends on the results of the next elections. The wish of the agrarians is to create a State bank, depending on the Government, which would make liberal advances in the shape of loans and discounts on agricultural estates and produce.

—A recent step in international postal Savings bank relations has been taken by a convention between France and Belgium, under which deposits in the post-office Savings bank of one country may be transferred to or withdrawn from the post-office of the other contracting country. The French Chamber of Deputies has voted a bill to ratify the convention.

—A statement of the production of gold in Australia, from the gold discoveries in 1851 to end of 1896, presented by "The Economist" (London) gives a total quantity of 99,589,945 ounces of the value of £388,752,056 ($1,900,000,000). This is nearly one-fourth of the gold produced in the world since the discovery of America. The province of Victoria has contributed £244,138,728 ; New Zealand, £53,251,348; Queensland, £39,188,117 ; New South Wales, £43,399,948; and the other provinces the remainder. The Victorian gold mining companies paid in dividends £519,695 in 1896.

—The Italian Postal Saving banks showed on April 30, 1897, total deposits of 496,787,226 lire ($98,000,000). There was a slight loss during April in the net deposits, but the record by years has shown a steady increase, from 46,252,860 lire due to 339,845 depositors at the close of 1880 to 310,483,635 lire due to 2,126,289 depositors in 1890, and 462,459,986 lire due to 2,896,768 depositors in 1895.

—The revenue returns for New Zealand for the quarter ending June 30, showed an increase of £78,000 over the previous quarter. Of the increase £38,000 was in customs duties, £22,000 in railroad receipts and £18,000 in stamps.

C. A. C.

MR. GEORGE HAGUE.

GENERAL MANAGER OF THE MERCHANTS' BANK OF CANADA, MONTREAL.

An article published in the English "Bankers' Magazine" a few years ago, when the subject of this sketch was President of the Canadian Bankers' Association, prefaces a short biography with the following remarks :

"In referring to the future political destiny of Canada—whatever that may become—English people will always retain a patriotic pride in her sturdy sons, who by their industry and pluck have developed the resources, and promoted the prosperity of their newly adopted country."

The sketch of Mr. Hague's life and work is then introduced, as that of one who has rendered signal service to the country of his adoption.

It is well known that he has had much to do with shaping the course of banking legislation in Canada, to a greater extent perhaps than any practical banker now surviving the conflicts of former days.

Mr. Hague is a native of Rotherham, Yorkshire, a town in which extensive iron-works have been carried on for generations back.

He comes of a good banking family, three of his relatives having been successively managers of the leading bank in the town.

A close application in his leisure hours was devoted to the study of logic, mathematics and languages, after he had entered the service of the Sheffield Banking Company. This bank was then—as it is now—one of the best managed and most prosperous in England, and the training Mr. Hague received there as a young man has been invaluable in his banking career in Canada.

In the early fifties Mr. Hague left the bank to enter the employ of a large railway contractor, and was sent to Canada to assist in managing the financial business of the contracts he was engaged in. After these affairs had been wound up, he made his way West and joined the Bank of Toronto in 1856. A few years afterwards he was put in charge of one of their country branches and subsequently appointed Cashier, a position he held for fourteen years. During his incumbency the paid-up capital of the bank steadily grew from $800,000 to $2,000,000, and the reserve from about $50,000 to $1,000,000, or half the capital.

All this time Mr. Hague had found time to carry on philanthropic and religious work, and when the bank had arrived at this period of its successful career he determined to retire and devote his whole time to such pursuits.

But he was not destined to be allowed to follow long the bent of his inclinations. In the following year, 1877, he was induced under strong pressure to sacrifice his preferences and undertake the resuscitation of the Merchants' Bank of Canada, the most onerous task that had yet fallen to his lot. The bank was in great straits. Business of nearly all kinds had been depressed for some years, insolvencies were rife, the negotiation of a large Provincial loan had been foolishly undertaken by the bank, which brought it into heavy embarrassment, and serious losses had been sustained in the United States, England and Canada. The shares had long been selling under par, with

GEORGE HAGUE.

[illegible] E. HAGUE.

[illegible] MERCHANTS' BANK OF CANADA, MONTREAL.

[illegible] "English Banker's Magazine" a few years [illegible] sketch [illegible] President of the Canadian Bankers' [illegible] biography with the following remarks:

"[illegible] future political history of Canada—whatever that [illegible] will always retain a patriotic pride in her [illegible] industry and pluck have developed the resources, [illegible] of their newly adopted country."

[illegible] Hague's life and work is then introduced, as that of [illegible] service to the country of his adoption.

[illegible] had much to do with shaping the course of [illegible] Canada to a greater extent perhaps than any practi- [illegible] conflicts of former days.

[illegible] Rotherham, Yorkshire, a town in which extensive [illegible] for generations back.

He [illegible] banking family, three of his relatives having been [illegible] of the leading bank in the town.

A [illegible] leisure hours was devoted to the study of logic, mathematics [illegible] after he had entered the service of the Sheffield Bank [illegible] This bank was then—as it is now—one of the best managed [illegible] in England and the training Mr. Hague received there [illegible] has been invaluable in his banking career in Canada.

In [illegible] Mr. Hague left the bank to enter the employ of a large [illegible] was sent to Canada to assist in managing the financial [illegible] he was engaged in. After these affairs had been wound [illegible] his way West and joined the Bank of Toronto in 1856. A few [illegible] afterwards he was put in charge of one of their country branches and [illegible] appointed Cashier, a position he held for fourteen years. During [illegible] the paid-up capital of the bank steadily grew from \$800,000 to [illegible] and the reserve from about \$50,000 to \$1,000,000, or half the capital. [illegible] time Mr. Hague had found time to carry on philanthropic and [illegible] work, and when the bank had arrived at this period of its successful [illegible] determined to retire and devote his whole time to such pursuits.

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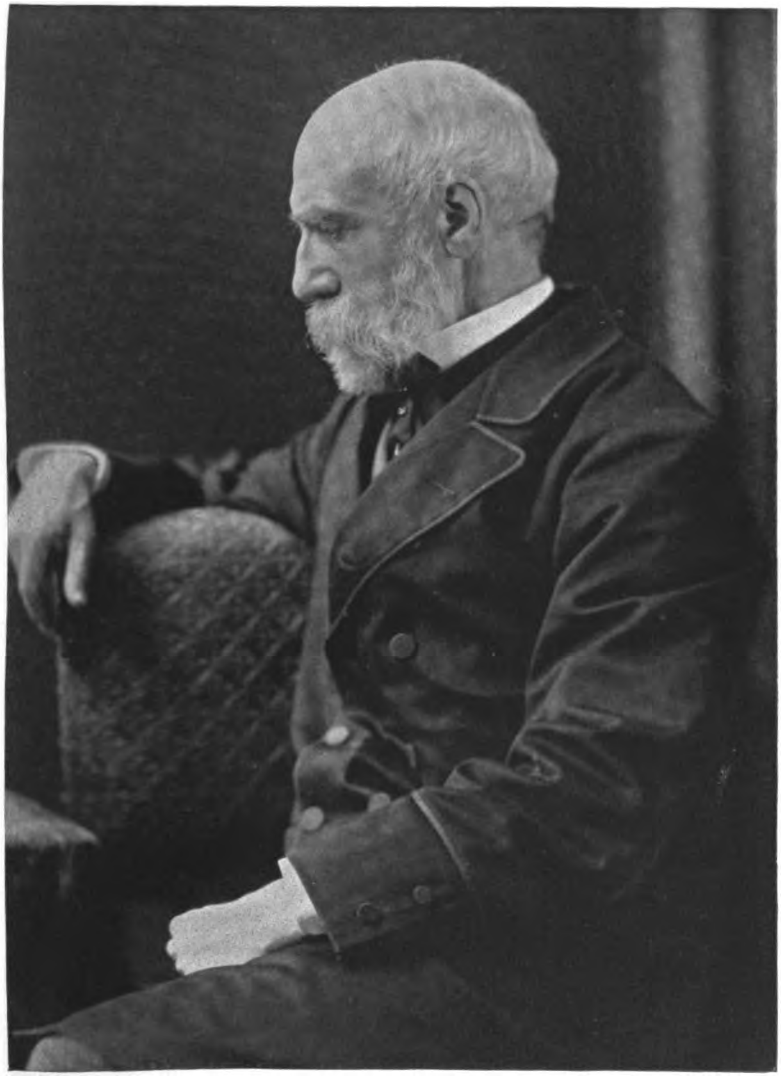

GEORGE HAGUE.

existing suspicions that the dividends had not been earned. Vigorous measures were unavoidable, and the amount of energy and anxiety required to face such a situation, to reconstruct and to retrench, can be imagined.

Foreign operations had to be stopped, unprofitable branches closed, the most had to be forced out of doubtful securities, and compromises made with great numbers of debtors in all parts of the country.

It was speedily evident that the losses had been so serious as to impair the capital, which stood at over $8,000,000. An Act of Parliament was obtained authorizing the reduction of the capital by one-third, and the whole machinery of the bank was re-adjusted to this new scale, and to the more conservative and cautious ideas of the new management. The effects of these measures were soon felt, and with the improvement of trade the credit of the bank was thoroughly restored. The shares, which sold at about $60 in 1877, now command $175. The reserve is now fifty per cent. of the capital, or $3,000,000; loans and discounts about $19,000,000, and deposits $12,500,000.

It is justly conceded that Mr. Hague's financial administration and prestige saved the Merchants' Bank, and averted a disaster to banking and business in Canada the dimensions and far-reaching effects of which it would be difficult to determine.

In private life Mr. Hague is a busy, Christian gentleman, and his interest in young men is well known through his prominent connection with Young Men's Christian Associations, not only in Canada, but in the United States. In educational, charitable, and ecclesiastical circles, his sagacious advice and practical help are welcomed, and his able influence has not infrequently been exerted with good effect in civic matters, always on the side of honorable and economical administration. His contributions to the financial press during the last thirty years have been copious, and in other fields of literary contributions his pen has not been idle.

He is a clear, logical and forcible speaker, and his annual addresses at the general meetings of the bank are read with much interest by business men, by whom the information and data are much valued. Mr. Hague has frequently addressed the members of the American Bankers' Asssociation at their annual meetings, which addresses have all found their way into pamphlet form.

As Chairman of the Royal Commission on the reform and improvement of the civil service of the Dominion, a striking proof was given of the position he holds among his fellow countrymen; and as first President of their association the bankers of Canada were not behind in emphasizing their appreciation of his standing.

Perhaps the most efficient service Mr. Hague has rendered his adopted country, and the one he will be longest and best remembered by, has been his assistance in placing the Canadian system of bank currency on a basis which is admitted to be perfectly suited to the needs of the country.

This has not been arrived at without the expenditure of much study and effort. Parliamentary inclinations had frequently to be combated and currency theorists conquered. The victory which Mr. Hague and his friends gained on various occasions, when a less suitable method was attempted to be foisted on the country, must be particularly gratifying in view of the firm, natural, yet elastic basis on which the circulation of the country has been established, and which has been proved to work most admirably through all the vicissitudes to which trade and commerce are subject.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

A VALUABLE FORM FOR BANKERS.

A subscriber at Newport News, Va., writes: "I notice in the July MAGAZINE a form of "Liability Ledger" which I can highly recommend, having used one of similar form for many years. It was also highly spoken of by our bank examiner, who said it was the first one he had ever seen.

It is impossible to overestimate the value of such a record; the liability of each customer as maker and endorser, together with his sureties, is plainly recorded in each account, and no person's liability need become too great, as might be, and doubtless is the case sometimes where memory has to be solely trusted to limit it. The loans and discounts of a bank are the foundation on which rests its stability, and a record like the one referred to will keep them so prominently before the officers and directors that a person can hardly obtain a greater line of credit than his responsibility warrants."

ANOTHER FORM OF LIABILITY LEDGER.

T. U. Cole, Cashier of the First National Bank, Honey Grove, Texas, sends to the MAGAZINE the form of Liability Ledger printed on the opposite page, and also the following description and commendation of it:

"The form of Liability Ledger which appeared in your July number seems to be very good, but as I have a much simpler form that has been in use in this bank for the past five years and has given excellent satisfaction, I thought I would send you a sample page.

The book is made of sufficient size to accommodate the number of names a bank is likely to handle, and is divided into sections for each letter in the alphabet, and for greater convenience in locating the names these are again subdivided according to the vowels, leaving one or more pages to each vowel as experience suggests is necessary. Each of the spaces between lines accommodates one name and five notes, and for liberal indorsers we leave two or more spaces and go on with next name under that vowel and if space allotted proves insufficient we write the name again and place a reference mark opposite to indicate that the name appears more than once. For large customers for whom we discount a large number of notes we leave a full page. In the back of the book we leave a few pages for "Directors," which is very convenient in making up the schedule in report to the Comptroller. This book is auxiliary to the regular Discount Register, and if a more minute description of paper is wanted, reference can be had readily to that book from the number. We handle about two thousand notes per annum and every name appearing on them finds a place in this book, and as it is posted and checked daily we can ascertain at a moment's notice just how much paper a customer

LIABILITY LEDGER.

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NAME	No.	ENDORSER FOR	DUE	AS PRINCIPAL	AS ENDORSER	REMARKS
Baker J. K. Honey Grove	14980	Arrington J. W.	Feby 15		88 75	R 3/2/97
	5	Self Secured by W/R	Nov 15	500		
	7	" " " C/M	Apl 15	742 31		Pd 4/16/97
	15031	Border J. A	Oct 1		46 30	
	2	Smith J. A	" 13		19 40	
	641	Brown J. B	" 15		31 60	
	719	Gaines R. R	" 14		25 42	
Baldwin J. H. Bonham	16032	Yarbrough A. J	Aug 31		75 40	
	16705	Jones Bros & Co	" 6		50 19	R 8/6/97
	16802	Baldwin J. C	Nov 1		416	
Barnes W. C. Ladonia	17201	Self	Oct 1	19 40		
Bagby J. C. H. G.	17303	Self	Oct 1	54		
	4	Bagby J. C	" 10		15	

is liable for and whether as principal or endorser. By noting P. O. address after the name it becomes valuable as a directory of borrowers' names. It possesses all of the advantages of a Liability Ledger in most compact and convenient form, and these are too numerous and well-known to warrant mentioning here."

A SYSTEM FOR KEEPING INACTIVE OR TEMPORARY ACCOUNTS.

There is no feature of the banking business that is a source of greater annoyance and anxiety to the bookkeeper, or more prolific of defalcation and embezzlement, than the method which usually obtains of handling inactive or temporary accounts.

The mode most popularly in vogue is keeping them on an "old-style" ledger, which is supposed to be balanced once a month, but as a matter of fact there is not one out of ten that is ever in perfect balance. There seems to be a popular idea among bank bookkeepers that inasmuch as these accounts are inactive and usually of a transitory nature, that there is no need of the care and vigilance which is given the more active and permanent accounts. But this is a grave mistake, and unless the bookkeeper's mind is disabused of this idea he will sooner or later fall into serious and costly error. The very fact that these accounts possess this temporary character, here to-day and gone to-morrow, is all the more reason why they should receive at the hands of the bookkeeper the most careful and painstaking attention, for an error not immediately discovered would perhaps in a week lead to irretrievable loss. In addition to this, the fact that these accounts change so seldom affords a wide and boundless field for false entries and crooked work generally.

Mr. Eckels, in an article in "The North American Review" for November, 1896, seems to have recognized the urgent necessity for a system of individual ledger that can be balanced daily. He says:

"Bank defalcations it has been found are not less often due to inattention of directors or unwarranted overconfidence on their part in the bank employees or unwillingness to adopt the best methods of bank bookkeeping. * * *

The balancing of individual ledgers has given rise on the part of the Comptroller's office to more criticism than any other point in the management of banks, because where a system of ledger is used which does not show the balance of each account kept therein, it is of course impossible for an examiner, without spending more time than is at his disposal, to verify its correctness, and thus a defalcation may be covered up for an indefinite time. That such is the case is clearly shown by the fact that in many instances where banks have adopted a more modern form of ledger, in compliance with suggestions from the Comptroller's office, defalcations have been discovered which otherwise would still have been undetected.

The recent defalcations on the part of the bookkeepers of the Union National Bank, New Orleans, which delayed long in carrying out the suggestion of the Comptroller for a change of books, was discovered in transferring the accounts of the bank from the old style ledger formerly used to the new ledgers suggested. The same thing occurred in the instance of the National Shoe and Leather Bank of New York city, where a large defalcation was covered up by fictitious entries on the individual ledgers.

As a means of preventing defalcation on the part of bank officials, either

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aided by confederates within or without the bank, the importance of adopting a daily balance system of individual ledger * * * cannot be overestimated. The balance of each depositor's account should be visible at a glance, and a trial balance enabled to be taken off at any date with very little labor.

It is the business of the directors to know that the transactions of the banks with which they are connected, are properly carried out, and that such methods of bookkeeping and checking of accounts are adopted as would effectually remove opportunities for dishonesty."

The system which I wish to discuss, and which I am the first bookkeeper to use, is known as the "Eager Ledger." I will briefly explain only those points that the accompanying cut will possibly fail to satisfactorily suggest.

It is an ordinary ledger, divided into sections, usually four; A to D, E to K, L to P, Q to Z, with cardboards between each section extending beyond the leaves, as shown by cut. First on this extension is the "index" or "key" to the groups of accounts in this section; further out on this same cardboard is the balance pad, which has a column for checks, deposits, old balances and new balances, the theory being that the difference between the checks and deposits must equal the difference between the old balances and new balances. In this way your work is proven every day, without dealing in any way whatever with those accounts that do not change.

The index, or key, has many advantages that will never suggest themselves to the bookkeeper until he has put it into actual use. It is quicker, more accurate, and of course more economical, than the book index; it is always exposed when the book is open, and only requires a glance to find the group you desire. This ledger has no companion book of any kind, the entries being made from the checks and deposit slips.

The allotment of space for each group of course must be made to suit the bank's experience, some requiring more space for certain combinations of letters than others. About three-fourths of the space in each section is allotted to begin with, leaving the rest to carry forward any groups that may need more space than allotted. In this way absolutely all the book is utilized.

The ledger is also admirably adapted to the use of small banks, where they carry all of their accounts on one book. This is done by sectionizing the "Teller's Scratcher" to correspond with the ledger and balancing by sections, thereby materially aiding and facilitating the discovery of an error.

I have had six years experience in bookkeeping and have investigated almost every system known, but I have never seen a book that combined as many splendid features, and so capable of being adapted to almost any circumstances, as the one given herewith. G. E. McGee.

VALUE OF KNOWING PEOPLE.

A banker writes of the great benefits to his institution arising from the acquaintances he has formed at the conventions of the bankers' association of his State. It is apparent that every man ought to gain substantial advantages from a wide acquaintance with and knowledge of those engaged in the same line of business as himself, for this is simply enlarging information in that line by contact with men of experience, more or less extensive. There are not many banks doing a business so local that their interests do not in some way touch remote and numerous localities, and an acquaintance with other bankers is certain in time to prove a source of practical value.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

CHECK—ACTION BY HOLDER AGAINST BANK.

Supreme Court of Louisiana, May 31, 1897.

STATE, *ex rel.* ST. AMAND *vs.* BANK OF COMMERCE.

The drawing and delivery of a check, without notice to the bank, does not constitute an assignment of any part of the deposit, and the holder cannot maintain an action thereon against the bank. *

This was a proceeding for the settlement of the accounts of the liquidating commissioners of the Bank of Commerce of New Orleans.

BREAUX, *J.:* J. T. Bordes, the holder of a check for a small amount, claims to be paid in full, and by preference, out of the dividend declared by the liquidators in favor of the drawer. The check was dated September 1, 1896, was made to the order of Antoine as payee, and by him it was indorsed over to Bordes. The bank failed on September 11, and no demand of payment had been made prior to its failure. J. M. Beauxis, the holder of another check, also for a small amount, claims to be paid out of the dividends placed on the tableau of distribution to the credit of the drawer of his check. The check was dated September 2, 1896, and was indorsed over by the original payee to Lee & Co., of St. Louis, to whom it was forwarded. The latter indorsed it for a collection to the Merchants'-Laclede National Bank. That bank sent it to the Whitney National Bank for collection. The drawee failed on the day the Whitney National Bank received the check. These checks not having been presented previous to failure, the issue is whether an action can be maintained by the respective holders against the bank.

The weight of authority, in our judgment, sustains the view that a check is not a sufficient foundation for an action by the holder against the bank. There may have been an equitable assignment between the drawer and payee. Upon this point the authorities are divided, but, as between the bank and the payee, it is difficult to conceive how there could have been an assignment as to the former without the least notice. In applying the rule which should govern, it should be borne in mind that in this case the check had not been accepted by the bank, the amount could not be, and was not, charged to the drawer. No settlement of any kind had been made covering the check. It did not contain words of transfer or assignment, either oral or written.

Upon this statement of facts, we do not think there was an assignment as to the bank, so that the holder could sue the liquidators of the insolvency for refusal to pay upon the presentation of the check. We quote upon that subject from a case recently decided by the Supreme Court of the United States:

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* See the Negotiable Instruments Law, Sec. 325, Laws of New York, 1897, Ch. 612.

"As between a check holder and the bank upon which such a check is drawn, it is settled that unless the check be accepted by the bank an action cannot be maintained by the holder against the bank;" citing as authority *Bank* vs. *Millard* (10 Wall. 152); *Bank* vs. *Whitman* (94 U. S. 343); *Bank* vs. *Yardley* (165 U. S. 634).

If a check operates as an assignment as between the bank and the holder, then there would be an assignment without the acceptance by the bank of the draft, and even without notice. The bank, until acceptance or notice, was unquestionably a third person. In *Bernard* vs. *Bank* (48 La. Ann. 57, 8 South. 702), this court passed upon the question here at issue, and decided that the relation between the drawee and drawer is not changed prior to acceptance or notice. We adhere to the principles, in so far as they apply, announced in that case, supported as they are upon the point here involved by a number of cited decisions. The district court therefore properly dismissed the opposition of J. M. Beauxis, and the judgment was erroneous in maintaining the claim of J. T. Bordes on his check. It is therefore ordered, adjudged and decreed that our decree be amended by striking therefrom and excluding the claim of J. T. Bordes for $13.70 allowed by the district court, and dismissing his claim. In all other respects our judgment remains unchanged.

ACCOMMODATION PAPER—LIABILITY OF CORPORATION—BONA FIDE HOLDER.

Supreme Court of Minnesota, May 6, 1897.

In re JACOBY-NICKOLAS CO. AMERICAN TRUST AND SAVINGS BANK *vs.* GLUCK.

1. While a corporation has no power to make accommodation paper, yet a *bona fide* purchaser for value of such paper of a corporation having general power to deal in mercantile paper in the course of its business, made by an officer having apparent power to issue it, may recover thereon from the corporation.
2. The rights of the *bona fide* holder for value of a bill of exchange are the same whether he acquired the bill before or after its acceptance.
3. Evidence considered, and *held*, that it sustains the finding and conclusion of the trial court to the effect that the plaintiff is a *bona fide* purchaser for value of the bills here in question, and entitled to recover thereon against an accommodation drawee accepting the bills after the plaintiff purchased them.

(Syllabus by the Court.)

This case arose out of a claim presented by the American Trust and Savings Bank against the assignee of the Jacoby-Nickolas Company, upon two bills of exchange for the sums of $1,218.34 and $551.88, accepted by the last-named company, for the accommodation of the drawer.

START, *C. J.* (omitting part of the opinion): The trial court found, in effect, that the plaintiff was a *bona fide* purchaser of the drafts for value, without notice, having discounted them in the due and regular course of business, without any reason to believe that any of them were not duly made and accepted. The defendant assignee challenges the correctness of this finding and conclusion. While a corporation has no power to issue accommodation paper, yet a purchaser in good faith, before maturity and for value, of such paper of a corporation, having general power to deal in mercantile paper in the course of its business, made by an officer having apparent power to issue it, may recover thereon from the corporation. *Auerbach* vs. *Mill Co.* 28 Minn. 291; 1 Daniel, Neg. Inst § 386; 1 Am. & Eng. Enc. Law, 2d Ed. 349.) The only question, then, in this case, is whether the facts show that the plaintiff was not a *bona fide* purchaser for value of these drafts.

1. The defendant insists that the plaintiff was not such *bona fide* purchaser because the words "as advised," in the drafts, was notice to the plaintiff that they were

not drawn upon funds in the hands of the drawee, but that the drawer was to send his checks to cover the amount of the drafts. There is nothing in these words to excite suspicion, or put a prudent business man upon inquiry. But, if we were otherwise, the fact that hundreds of other drafts, with the words "as advised" in each, had been all promptly accepted and paid by the corporation at maturity, to the knowledge of the plaintiff, would necessarily dispel any possible suspicion that the words had a sinister meaning, and that there was anything wrong with the papers.

2. Again the defendant claims that the fact of the frequency with which drafts were drawn by Breecher, "a mere salesman and customer of the plaintiff," and discounted by it, was sufficient to arouse its suspicion, and lead it to an inquiry as to the real character of the transaction as between the drawer and drawee. Such was not the natural tendency of the fact relied on to show notice to the plaintiff, but, on the contrary, it directly tends to establish the good faith of the plaintiff. The repetition by the drawee of the act of prompt acceptance and payment of a hundred or more of other drafts precisely like the one here in question, and under like circumstances, would justify the plaintiff in believing, if it had any previous suspicions in the premises, that the corporation drawee and its officers were acting honestly, and conducting its business within the limits of its and their powers. (*Columbia Mill Co.* vs. *National Bank of Commerce*, 52 Minn. 224.)

3. Lastly, the defendant claims that as to the acceptor, the Jacoby-Nickolas Company, the plaintiff is not a holder for value, for the reason the drafts were discounted by the plaintiff before they were accepted, and therefore it parted with nothing of value on credit of the acceptance. The only case cited which supports this proposition is that of *Farmers and Mechanics' Bank* vs. *Empire Stone-Dressing Co.* (5 Bosw. 275). The Court of Appeals, however, in the case of *Heuertematte* vs. *Morris* (101 N. Y. 63) held just the reverse, and in referring to the case cited the Court said: "We conceive, the rule there laid down finds no support in the doctrine of the text writers or the reported cases. If a party becomes a *bona fide* holder for value of a bill before its acceptance, it is not essential to his right to enforce it against an acceptor that an additional consideration should proceed from the drawee." It is suggested by counsel for the defendant that the rule announced in the case last cited has no application to a case like the one at bar, where the acceptor is a corporation. This claim is answered by the case of *Credit Co.* vs. *Howe Machine Co.* (54 Conn. 382), in which the Court said: "The precise question now is whether a person who receives an accommodation bill before acceptance—no new consideration moving from him to the drawee—can avail himself of a subsequent acceptance. In *Farmers and Mechanics' Bank* vs. *Empire Stone-Dressing Co.* (5 Bosw. 275), it was held that he could not. In *Heutermatte* vs. *Morris* (101 N. Y. 63) it was held that he could. The latter case was put upon the broad ground that the former was not law, and not upon any supposed distinction between corporations and individuals. The good faith of the holder must not be confounded with the validity of the acceptance. Although the latter may, and often does, depend upon the former, yet they are distinct questions, for most purposes. An accommodation acceptance being valid, and the plaintiff otherwise a holder in good faith, the mere fact that he received the bill before acceptance does not make him a *mala fide* holder." It is settled upon principle and authority that one who purchases a bill of exchange before its acceptance, in the ordinary course of business, in good faith and for value, is a *bona fide* holder for value, as against the acceptor. The rights of a holder of a bill are the same whether they were acquired in anticipation of or subsequent to its acceptance. *Arpin* vs. *Owens* (140 Mass. 144); *Ft. Dearborn Nat. Bank* vs. *Carter, Rice & Co.* (152 Mass. 34); *Hoffman* vs. *Bank* (12 Wall. 181); *Heuertematte* vs. *Morris* (101 N. Y. 63); *Webster* vs. *Machine Co.* (54 Conn. 394).

KNOWLEDGE OF BANK OFFICER—WHEN NOT IMPUTED TO BANK.

Supreme Court of Pennsylvania, May 24, 1897.

GUNSTER *vs.* SCRANTON ILLUMINATING, HEAT AND POWER COMPANY.

Where a bank officer, who is also the treasurer of another corporation, discounts notes of the corporation, the proceeds of which he applies to his own use, his knowledge of the fraud is not imputed to the bank.

MITCHELL, *J.:* The referee found that there was nothing in the transaction so far out of the ordinary course of business as to make it unusual, or such as should excite suspicion, had the bank been acting through any of its officers except Jessup. Jessup was the treasurer of the defendant company, and the person who made its promissory notes, had them discounted for it, and drew its checks. These were usually, but not always, taken from its regular check book; and the body of them was usually in the handwriting of the secretary and bookkeeper, though signed by Jessup. The signature of the depositor is the essential feature of a check, and a bank is not bound to pay any attention to the handwriting of the other parts unless it shows something to excite suspicion. Nor was there anything to put the bank upon inquiry in the fact that the drafts were drawn to Jessup's own order. The check in payment of which the drafts were issued was drawn "to the order of dft. N. Y.," and there was nothing on the face of the transaction to indicate that it was not for the regular and legitimate business of the defendant company.

The referee, finding that, if Jessup had not been an officer of the bank, there would have been no valid defense, thus reduced the case to a question of law,—whether Jessup's knowledge of his own fraud at the time of its perpetration carried with it knowledge or notice to the bank which would prevent its availing itself of a credit on the check. He took the affirmative view, and the court below sustained him.

The authorities on this question are not uniform. In the case most relied upon by the learned referee (*First National Bank* vs. *Town of New Milford*, 36 Conn. 93), the Cashier of the bank was also treasurer of the town, and in the latter capacity had been accustomed to borrow money for the town upon notes made by him in its name. Having, in his capacity as Cashier, embezzled the funds of the bank, he drew a note for $8,000, as treasurer of the town, entered it upon the books of the bank as if regularly discounted, and thus covered his embezzlement. In a suit on the note it was held that the bank could not recover.

The decision is put upon two grounds: First, that the treasurer did not intend to pledge the credit of the town, but that "he drew the note, entered it in the books, and caused it to be filed by the clerk, as a false representation and cover, precisely as he made other false representations and false entries, intending to restore the money and take out the note, and not intending to onerate the town. If that is so, there was no meeting of minds, and no purchase of the note or contract of loan which will sustain this action."

This was apparently the view of the majority of the court, but the opinion then goes on to add, as a second reason, that even if there was a contract of loan, "it was made by Conklin as agent of the town with Conklin as agent of the bank. * * * He, as agent of the bank, had full knowledge, therefore, of the fraud; and now the bank, if they ratify his contract and confirm his agency, must accept his knowledge and be bound by it, precisely as if the loan had been made and the knowledge had by the board of directors."

The first ground thus set forth does not appear to have been adopted in any other case, but the second has very respectable authorities in its favor, among which may be cited *Bank* vs. *Dunbar* (118 Ill. 625); *Farmers and Traders' Bank* vs

Kimball Co. (S. D. 47 N. W. 402) and similar in principle, *Bank* vs. *Davis* (2 Hill, 451); *Holden* vs. *Bank* (72 N. Y. 286); *Webb* vs. *Manufacturing Co.* (11 S. C. 396).

On the other hand, the principle has been distinctly repudiated by several courts of equal authority; and in the latest text-book it is laid down without qualification that an exception to the general rule that notice to the agent is notice to the principal "arises in case of such conduct by the agent as raises a clear presumption that he would not communicate the fact in controversy, as where the agent acts for himself in his own interest, and adversely to that of the principal." (1 Am. & Eng. Enc. Law [2d Ed.] 1145, and cases there cited.) In *Bank* vs. *Christopher* (40 N. J. Law, 435) it was held, after a review of the cases, that a director offering a note of which he is the owner to the bank of which he is a director, for discount, is to be regarded as a stranger, and the bank is not chargeable with the director's knowledge of fraud, or want of consideration for the note. And in *De Kay* vs. *Water Co.* (38 N. J. Eq. 158) it was held that where the same person is an officer of two corporations, and he transfers securities issued by one to the other with knowledge that they are not valid except in the hands of an innocent holder for value, his knowledge is not to be attributed to the transferee; Van Fleet, V. C., saying: "I understand the law to be that, where an agent representing two principals concocts a scheme to defraud one of them for the benefit of the other, it will be presumed that he did not disclose, to the principal he intended to cheat, the means by which he intended to effect his purpose."

In *Innerarity* vs. *Bank* (139 Mass. 332) the exception was held to be well established that notice to the agent would not be deemed notice to the principal where the communication of the facts would necessarily prevent the consummation of a fraudulent scheme which the agent was engaged in, and the distinction sometimes made upon the actual presence of the agent—as, *e. g.*, a bank director—at the meeting where the transaction was concluded, was said not to be of importance. The same view was followed in *Allen* vs. *Railroad Co.* (150 Mass. 200, 917) and *Corcoran* vs. *Cattle Co.* (151 Mass. 74). See, also, to the same effect, *Barnes* vs. *Gaslight Co.* (27 N. J. Eq. 33); *Winchester* vs. *Railroad Co.* (4 Md. 231); *Bank* vs. *Gifford* (47 Iowa, 575); *Frenkel* vs. *Hudson* (82 Ala. 158); *Bank* vs. *Harrison* (10 Fed. 243, 252); *Davis Improved Wrought-Iron Wagon Wheel Co.* vs. *Davis Wrought-Iron Wagon Co.* (20 Fed. 699); *Thomson-Houston Co.* vs. *Capital Electric Co.* (12 C. C. A. 643, 65 Fed. 341.) And in *Platt* vs. *Axle Co.* (41 Conn. 255) it was held that the knowledge of the secretary of a prior assignment of stock standing in his wife's name could not be imputed to the corporation to defeat the corporation's lien for subsequent advances to the wife upon the same stock, and the decision does not seem to have been thought in conflict with *First National Bank* vs. *Town of New Milford*, *supra*, as no comment or reference was made to that case.

An instructive case is *Atlantic Cotton Mills* vs. *Indian Orchard Mills* (147 Mass. 273). The same person was treasurer of two corporations, and fraudulently drew checks upon each in favor of the other when needed to balance his accounts and make his cash appear correct on examination. There had been also *bona fide* loans from each to the other, made in the same way. The court held that the account between them should be stated by charging each with the amount wrongfully transferred to it from the other, so that each should lose the exact amount taken from it by its treasurer acting in his capacity as such. This case was regarded by the learned referee in the court below as belonging to the class which imputes notice to the principal from knowledge of the agent, and the judgment could have been reached on that view. But the decision is put explicitly on the ground that "a party, even though innocent, cannot avail himself of an advantage obtained by the fraud of another, unless there is some consideration moving from himself;" referring to authorities as early as Lord Mansfield, and citing among others *Loring* vs. *Brodie*

(134 Mass. 453, 468). It is to be noted that this case, though leading to a different judgment, was not regarded in the subsequent decisions in 139, 150, and 151 Mass., cited *supra*, as conflicting with them, and that the principle of it would result in the same judgment, though for a different reason, as that in *First National Bank* vs. *Town of New Milford* (36 Conn. 93), and reconcile that case not only with the latter case in the same court—*Platt* vs. *Axle Co.* (41 Conn. 255)—but with the cases in the class we are now considering. And the same principle would sustain *Bank* vs. *Dunbar* (118 Ill. 625), and probably other cases in the class imputing notice to the principal from knowledge by the agent. We are of opinion that the second class of cases have not only the preponderance of authority, but of sounder reason.

The rule that knowledge or notice on the part of the agent is to be treated as notice to the principal, is founded on the duty of the agent to communicate all material information to his principal, and the presumption that he has done so. But legal presumptions ought to be logical inferences from the natural and usual conduct of men under the circumstances. But no agent who is acting in his own antagonistic interest, or who is about to commit a fraud by which his principal will be affected, does in fact inform the latter, and any conclusion drawn from a presumption that he has done so is contrary to all experience of human nature.

If it be urged, as in some cases, that the principal, having put the agent in his place, should, as a matter of public policy, be held answerable for all the latter does, a sound answer is suggested by the court in *Allen* vs. *Railroad Co.* (150 Mass. 200, 206)—that an independent fraud committed by an agent on his own account is beyond the scope of his employment, and bears analogy to a tort willfully committed by a servant for his own purposes, and not as a means of performing the business intrusted to him by his master.

We have not found or been referred to any express authorities in our own State. The point was touched upon in Millward-Cliff Cracker Co.'s Estate, 161 Pa. St. 157, 167, 28 Atl. 1072, and some observations of the learned auditor in that case seem to be based on *First National Bank* vs. *Town of New Milford*, 36 Conn. 93, and the line of decisions following it. But the facts show that the bank was endeavoring to retain an advantage and assert a claim founded on a fraud in which its own officer had participated, and the case therefore comes plainly within the rule adopted in *Atlantic Cotton Mills* vs. *Indian Orchard Mills* (147 Mass. 273), which we think entirely sound.

In *Wilson* vs. *Bank* (Pa. Sup. 7 Atl. 145), it was said *per curiam*, "The knowledge of Willcock as treasurer of the tool company cannot be imputed to the bank of which he was Cashier, unless he revealed that knowledge to some one or more of its officers."

The decision does not rest directly on that ground, but the expression shows that the views of the court were in harmony with those we now express. Even, therefore, if the present case be made to turn on the question of knowledge, it was erroneously decided. But we do not regard knowledge as the pivotal point of the case. Upon that point both parties would stand equal. Both might, by mere inference, be charged with knowledge, as the fraud was committed by an agent with authority to act for both; but in fact neither had, or in the nature of things could have, any knowledge at all, and neither was under any obligation to presume that its agent would be guilty of fraud. The real question is, in what capacity did Jessup commit the fraud? And it is clear that it was as treasurer of the appellee. It was as treasurer he presented the notes for discount, and as treasurer he drew the checks for the proceeds. Both acts were within his authority as treasurer, and would have been lawful if they had been honest, but he drew the money on drafts which were the property of the company, and when he embezzled the money it was the money of the company. The bank had no part in his act, and gained nothing by it. The fraud had its inception and its consummation in acts done in his capacity of treasurer of the defendant company, and it should bear the loss. Judgment reversed and record remitted, with directions to enter judgment for the plaintiff for the full amount of his claim.

DATE OF MATURITY—PAPER FALLING DUE ON SUNDAY.

Supreme Court of Nebraska, June 3, 1897.

CAPITAL NAT. BANK OF LINCOLN *vs.* AMERICAN NAT. BANK OF CHICAGO, *et al.*

(1) When, uninfluenced by statute, a bill or note without grace falls due on Sunday or a legal holiday, it is payable on the business day next following.

(2) When grace on a note or bill expires on Sunday or other non-business day, it becomes due, and should be presented for payment or acceptance, on the latest business day within or before the period of grace.

(3) The rule of the common law respecting the presentment of instruments with grace which expire on Sunday is not abrogated in this State by section 1 of the Act of 1873, entitled "An act to designate certain days to be observed as holidays in respect to bills of exchange, promissory notes and bank checks" (section 8, c. 32, Gen. St.)

(4) Bank *vs.* McAllister, 50 N. W. 1040, 33 Neb. 646, overruled.

(5) Effect of the Act of 1893, amendatory of section 8, c. 41, Comp. St., not determined.

Norval, J., dissenting.

(Syllabus by the Court.)

POST, *C. J.:* This was an action against the plaintiff-in-error as endorser of a certain promissory note for $2,000 bearing date of November 4, 1892, and payable at its banking house in the city of Lincoln 90 days after date. Said note, as counsel agree, matured February 2, 1893, and payment was demanded, and notice of dishonor given, February 4; the third day of grace, to wit, February 5, being Sunday. The foregoing transactions occurred previous to the Act of 1893 amendatory of chapter 41, Comp. St.; hence the question distinctly presented is whether, under the statutes then existing, in case the last day of grace on a bill or note fell on Sunday, demand of payment on the last preceding business day was sufficient for the purpose of charging the drawer or indorser. It is by section 8, c. 41, then in force, provided that: "The following days to wit: The first day of January, the twenty-second day of February, the twenty-second day of April, known as "Arbor Day," the first Monday in September, known as "Labor Day," the twenty-fifth day of December, the thirtieth day of May, and the fourth day of July, and any day appointed or recommended by the Governor of this State or the President of the United States, as a day of fast and thanksgiving, and when any of these days shall occur on Sunday, then the Monday following shall, for all purposes whatsoever as regards the presenting for payment or acceptance, and the protesting and giving notice of the dishonoring of bills of exchange, bank checks, or promissory notes, made after the passage of this Act, be deemed public holidays, and be treated and considered as is the first day of the week, commonly called Sunday. Provided, that when any one of these said days occur on Monday any bill of exchange, bank check or promissory note made after the passage of this Act, which but for this Act would fall due and payable on such Monday, shall become due and payable on the day thereafter."

It was by section 9, c. 41, Comp. St., further provided that the first Monday in September should "be deemed a holiday in like manner, and to the same extent as holidays provided for in section 8." These provisions were examined in *Bank* vs. *McAllister* (33 Neb. 646), with the conclusion that the several holidays above enumerated are, for the purpose of presenting for payment or acceptance of commercial paper, and protest and notice of dishonor, grouped with Sunday, and that when the third day of grace falls on Sunday, or a legal holiday, presentment on the following Monday is sufficient. That decision has been the subject of much adverse criticism by the profession and business men of the State, and led to the adoption by the next Legislature in 1893 of an amendment of section 8 in terms providing that in every case in which the date of maturity or last day of grace of any negotiable instrument shall fall on Sunday or a legal holiday, it shall be lawful to make demand, etc., on the following business day.

Of so conclusive a nature are the arguments directed against the rule asserted in the case cited that we have been constrained to re-examine the subject upon its merits, with a conclusion adverse to the decision therein announced. It may, in the first place, be assumed that a result so equivocal and incongruous as different days for the presentment of each note or bill could not have been within the contemplation of the Legislature. Such a purpose is opposed to the primary conception of a promissory note, and should not, unless apparent from the language of the Act, or the necessary implication therefrom, be imputed to the lawmaking power. Another proposition as to which there can be no controversy is that the statute, like others of its class, must be construed in the light of the law merchant. When, uninfluenced by statute, a bill or note without grace, or any non-negotiable instrument, falls due on Sunday or a legal holiday, it is payable on the business day next following, since the maker is not required to pay before the maturity of the debt. But with days of grace, which the law regards as an indulgence, the rule is different, and when grace on a note or bill expires on Sunday or other non-business day, such instrument is due and should be presented for payment or acceptance the day preceding. "Thus," as said by Mr. Daniel, "if grace expired on Sunday, it would fall due on Saturday; and if a holiday (such as Christmas Day) fell on Saturday before the Sunday of its maturity, it would fall due on Friday preceding. The latest business day within or before the period of grace is the day of payment, even though all grace be excluded." (1 Daniel, Neg. Inst. § 627; Story, Bills, § 220; Pars. Notes & B. 401, 402; 3 Rand. Com. Paper, § 1090.)

It remains to be determined to what extent, if at all, the rule of the common law has been abrogated or modified by statute in this State. The provision above set out was enacted as section 1 of "An act to designate certain days to be observed as holidays in respect to bills of exchange, promissory notes and bank checks," approved April 18, 1873. (Gen. St. p. 427.) If we transpose the language therein employed in accordance with its grammatical sense, it will be found to provide in substance that certain enumerated days shall be deemed holidays, and when any of such holidays occur on Sunday the following Monday, shall, for the purpose of presentment and protest, etc., of commercial paper, likewise be deemed a holiday to such extent and for such purpose as is Sunday, the first day of the week; provided that, when any one of such holidays occurs on Monday, paper otherwise payable on said day shall become due and payable on the day following. Statutes of the character here involved will, according to the familiar rule, be strictly construed, and the common law held to be abrogated no further than expressly declared, or than is required from the clear import of the language employed. Turning again to the statute in this case, we observe that it in terms modifies the common-law rule only as respects instruments otherwise payable on holidays which occur on Monday, and which, by the act in question, become due and payable the day following. As indicated by the title of the Act, the single subject of the section quoted is that of the designated holidays, and by no permissible construction thereof can the words "any one of these days," from their context, be held to include Sunday. The effect of the amendment of 1893, being foreign to the question here presented, is not considered in this connection. It follows, however, that *Bank* vs. *McAllister*, so far as it applies to instruments having days of grace which expire on Sunday, should be and is overruled. It follows also that the judgment of the district court in conformity with this opinion should be affirmed. Affirmed.

NORVAL, *J.:* I dissent from the judgment rendered, and adhere to the decision in *Bank* vs. *McAllister*, 38 Neb. 646, 50 N. W. 1040.

SET-OFF—NOTE NOT DUE.

Supreme Court of Minnesota, July 2, 1897.

SWEETSER *vs.* PEOPLE'S BANK OF MINNEAPOLIS.

A bank has the right to set off against the account of an insolvent depositor a note of such depositor held by the bank, whether the note is due or not.

BUCK, *J.:* In February, 1896, one Randall was indebted to the People's Bank of Minneapolis in the sum of $4,180, which would become payable in 60 days. Randall solicited an extension of time of payment of this indebtedness, and to this end he entered into negotiations with the officers of the bank, which resulted in his executing to one Weeks, as trustee of the bank, a deed of trust dated March 11, 1896, conveying certain real estate owned by Randall, as security for the payment of said sum, which sum by the terms of said deed was to be paid on or before one year from the date thereof, with interest at the rate of 8 per cent. per annum.

Three thousand dollars of this indebtedness consisted of two personal notes of Randall, which he renewed for short periods of time subsequent to the giving of the deed, but no part of the principal was paid. On the balance of $1,180 Randall paid the bank prior to July 27, 1896, the sum of $900.

For a period of several years prior to the execution of said trust deed, and for several months subsequent thereto, Randall continued to do business with the bank, such as depositing money therein and drawing checks on it in the usual and ordinary course of banking business. On the 16th day of June, 1896, Randall, being so justly indebted to said bank, executed his renewal negotiable promissory note in writing, dated that day, whereby, for value, he promised to pay to the order of said bank, 30 days after said date, the sum of $1,000, with interest, which note the bank owned at the trial of this action.

The evidence conclusively showed that at the time of the execution of said trust deed the parties agreed to renew from time to time the notes representing this indebtedness. When the $1,000 note above referred to became due, Randall wholly failed and neglected to pay or renew it, although he testified that a day after its maturity he offered to renew it, but he never did so.

The trial court found as facts "that on the 27th day of July, 1896, said note being then long past due, there was on deposit in said bank to the credit of said Randall the sum of $893.97, which moneys had been deposited by and for said Randall in the usual course of business, and subject to his order or check; that on said July 27, 1896, said bank, of its own motion and accord, applied said deposit, and the whole thereof, in part payment upon said note of said Randall, then past due and wholly unpaid; that on July 31, 1896, there was in said bank on deposit to the credit of said Randall, and subject to his check, the further sum of $17.85, which had been deposited in the usual course of business by and for said Randall, and on that day said bank, of its own motion and accord, applied said further sum of $17.85 upon the said note of said Randall in further part payment thereof; that, on each and both said dates when said money was so applied, said Arthur N. Randall was insolvent, and unable to pay his debts then due in the usual course of business; that the allegations of defendant's answer herein are true.

On August 8, 1896, Randall made an assignment of all his non-exempt property to the appellant, Sweetser, under the insolvency laws of this State, who duly qualified as such assignee, and demanded of the bank that it pay him the said sum of $911.32, which it had previously applied upon said note of $1,000. The bank refused to make such payment, and thereupon Sweetser brought this action, and upon trial judgment was ordered in favor of the defendant.

The appellant contends that by the terms of the trust deed the time of the pay ment of the indebtedness was absolutely extended until March 11, 1897, and hence the bank had no right to apply Randall's deposit to the payment of the $1,000 note especially as he claims that the evidence is insufficient to show that Randall was insolvent until August 8, 1896.

It is unnecessary for us to pass upon the question of the effect of the clause in the deed above referred to in connection with the agreement to renew, and actual renewal of. the note securing such indebtedness. It must be conceded that Randall was insolvent on the 8th day of August, 1896, when he made the assignment, and the bank then had the right to make an equitable set off of the note owing it by Randall against any deposits which he had in the bank, whether the note was due or not. Sweetser, as assignee, had no greater rights in the deposit funds than Randall would have had if he had not made the assignment.

This being so, Sweetser cannot maintain this action to recover the amount of such deposits, whether the bank legally applied them on the note at the times stated, or whether they remained unapplied on August 8, 1896, or at the time of the commencement of this action. The deposits were less in amount than Randall's indebtedness to the bank, and its right to set off the deposits against the insolvent's note is unquestionable.

The deposit had not been pledged to any specific purpose, nor impressed with any trust; and the rule seems to be quite universal that, if the debtor is insolvent, a bank may set off, as against such depositor's account, a debt not even yet due. (*Stolze* vs. *Bank* [Minn.] 69 N. W. 813; *Thomas* vs. *Bank* [Iowa] 68 N. W. 780, and authorities there cited.)

Order affirmed.

PUBLIC FUNDS—LIABILITY OF BANK—RELATION BETWEEN BANK AND PUBLIC BODY.

Supreme Court of Nebraska, June 15, 1897.

STATE *vs.* MIDLAND STATE BANK.

It is not within the power of the treasurer of a school district, by a general deposit of funds held by virtue of his office, to create between such district and his banker the relation of debtor and creditor.

A banker, by receiving on deposit from a school-district treasurer funds known to held by the latter in his official capacity, becomes thereby a trustee for the beneficial owner with respect to such funds; and the same may, upon his insolvency, be recovered by the owner as a preferred claim against his estate.

(Syllabus by the Court.)

This was an action by the State of Nebraska against the Midland State Bank of Omaha. Joseph W. Thomas was appointed Receiver, and appealed from an order allowing the claim of school district No. 5 of Douglas county.

POST, *C. J.:* This is an appeal by the Receiver from an order of the district court for Douglas county preferring the claim of appellee, school district No. 5 of said county, against the Midland State Bank, recently impounded on motion of the State Banking Board.

The facts essential to an understanding of the controversy are as follows: On February 12, 1896. John Bondesson, as treasurer of the appellee district, deposited in the bank above named the sum of $1,808 08, money of said district, and held by him as such; and he subsequently made other deposits of funds intrusted to him as such treasurer, amounting to $2,241.83. He also checked against his said account from time to time in payment of orders or warrants drawn by the district board, so that there was to his credit in said bank when it passed into the hands of the Receiver the sum of $1,468.86. The original credit was given to Bondesson as treasurer, and the pass-book in which the several credits were entered by the Cashier shows an account between the bank and the school district. The inference is therefore irresistible that the bank was at all times advised of the fact that the money deposited belonged, not to Bondesson, but to appellee.

The powers and duties of school-district treasurers are defined by section 5, subd. 4, c. 79, Comp. Stat., entitled "Schools," in the following language: "It shall be the duty of the treasurer of each district to apply for and receive from the county treasurer all school moneys apportioned to the district, or collected for the same by said county treasurer, upon order of the director countersigned by the moderator of each district, all moneys received by him." And in section 9 of subdivision 11 appears the following inhibition upon the powers of the treasurer: "School district treasurers are forbidden to lend or use any part of the school moneys which may be in their hands under penalty of fine and imprisonment under the provisions of the statute regarding embezzlement." No question is here raised of the right of a school-district treasurer, or other officer charged with custody of public funds, to deposit the same in bank for safe-keeping, provided he so far retains the control over them that they may be by him reclaimed at any time.

It is, however, contended that the treasurer was in this instance without authority to make a general deposit of the funds in his hands, in the sense that the relation of debtor and creditor would result therefrom as between the school district and the bank, and to that proposition attention will now be directed. It has been many times held that when, except as specially authorized by statute, a treasurer or other custodian of public money makes a general deposit thereof in his own name, a trust results in favor of the beneficial owner, and that, upon the insolvency of the bank receiving such funds with notice of their character, its estate is chargeable with the full amount of the deposit, to the prejudice of non-preferred creditors. (See *Independent Dist.* vs. *King*, 80 Iowa, 497; *Bunton* vs. *King*, 80 Iowa, 506; *Myers* vs. *Board of Education*, 51 Kan. 87.)

The principle underlying the cases above cited has been often recognized in this State in the distribution of the assets of insolvent banks. (See *Anheuser Brewing Ass'n* vs. *Morris*, 36 Neb. 31; *Griffin* vs. *Chase*, 36 Neb. 328; *Capital Nat. Bank* vs. *Coldwater Nat. Bank*, 49 Neb. ——, 69 N. W. 115.) True, the two classes of cases differ in one respect, viz.: In the former the inhibition results from the statute and the policy of the law applicable to custodians of public money, while in the latter the circumstances attending the deposit are such as to amount to a fraud against the owner of the fund, although the wrong in each consists in a violation of a trust relation with respect to the subject of the controversy. We are, in support of the opposing view, referred by counsel to the case of *Allibone* vs. *Ames* ([S. D.] 68 N. W. 165) and also *State* vs. *Hill* (47 Neb. 456). Those cases are not, however, in our judgment, authority for the proposition asserted. The point there decided is that the word "loan," as employed in the statutory inhibition upon the powers of the officers concerned, is used in its restricted sense, and includes those transactions only in which the conventional relation of borrower and lender exists—in brief, that a public officer, by depositing in bank money intrusted to his care, in order to preserve the same is not, *ipso facto*, guilty of conversion. In neither case was the question presented of the power of a treasurer, by the deposit of money in his hands as such, to create the relation of debtor and creditor between the bank and the public body whose commission he holds. The judgment of the district court is right and will be affirmed.

BANKERS' LIEN—SET-OFF WHERE NOTE NOT DUE—EFFECT OF DEPOSITOR'S ASSIGNMENT.

Supreme Court of Missouri, Division No. 2, June 22, 1897.

HOMER *vs.* NATIONAL BANK OF COMMERCE IN ST. LOUIS.

Where a depositor makes an assignment for the benefit of creditors, the bank cannot set off against his deposit a note held by it, which had not matured prior to the assignment.

A bank has no lien on the deposit of a customer for loans made to him, which have not matured; nor does the fact of his insolvency create any such lien.

Such a lien will not be implied from the promise of the customer to maintain a certain balance.

This was an action by the plaintiff as the assignee of Ripley & Bronson, to recover the sum of $5,691.52. which amount the assignors had on deposit to their credit with the defendant bank upon the day when said firm executed a deed of assignment to plaintiff for the benefit of creditors, to wit, July 24, 1893. The defendant admitted that at the time of the assignment Ripley & Bronson had on deposit with the defendant to their credit $5,691.52; but claimed the right of set-off against such deposit and also a lien thereon for loans made by the bank to such firm.

BURGESS, *J.:* The only controversy in this case is as to the right of defendant to set off against the deposit the unmatured notes owing to it by Ripley & Bronson on July 24, 1893.

1. It is well settled that an assignee for the benefit of creditors takes the assigned estate subject to all the equities existing with respect to the assigned estate at the time of the assignment. His rights are the same as the assignor—no greater, no less. (Burrill, Assignm. [4th Ed.] § 391; *State* vs. *Rowse*, 49 Mo. 593; *Peet* vs. *Spencer*, 90 Mo. 388; *Huse* vs. *Ames*, 104 Mo. 91; *Green* vs. *Conrad*, 114 Mo. 651.)

2. This proposition being true, defendant contends that an equitable right of set-off arises in favor of the creditor as to all demands owing by the debtor to the creditor at the time of the assignment, whether said demands have or have not matured, provided the liability has become fixed before the assignment, while, upon the other hand, plaintiff's contention is that the creditor of an insolvent estate in the hands of an assignee for the benefit of creditors has no right in equity, any more than at law, to have his unmatured demand set off against his own debt to the estate, which was due at the date of the assignment. It is not claimed by defendant that the right of set-off, under the circumstances of this case, exists by statute; so that, as no such thing as set-off exists at common law, if the right exists at all, under the circumstances in this case, it must be upon purely equitable grounds, arising from the insolvency of the assignors. It seems to be well settled that where the demand owing to the insolvent is not due, but the demand against him is due and payable at the time of the assignment, set-off will be allowed. But the demand sought to be set off by defendant in this case against the deposit account of Ripley & Bronson was not due at the time of the assignment, while the deposit account of Ripley & Bronson was due; and under such circumstances the law seems to be, in this State, at least, that the right to set off does not exist.

Upon this question, however, the authorities generally are in much conflict. In *Smith* vs. *Spengler* (83 Mo. 411) the bank of which the plaintiff was the assignee made an assignment to him for the benefit of its creditors, and he sued the defendants on their note to the bank, which became due after the assignment. Defendants pleaded by way of set-off a debt due them from the bank before the assignment, and it was held a proper subject of set-off. But the facts in that case were different from the facts in the case in hand, in this: At the time of the assignment in that case the debt set off was due, while in the case in hand the debts pleaded as a set-off did not become due for some time after the assignment, nor until suit would have been brought by the assignees but for the agreement that defendant would not take advantage of the delay.

In that case it is said, "It would seem to be sufficient if the right of set-off existed, in favor of the defendant and against the plaintiff [quoting from *Reppy* vs. *Reppy*, 46 Mo. 571], at the time of the commencement of the suit, and had then become due." (Wat. Set-Off, § 381.) But, in order that a debt against an insolvent may be set off against his assignee, it must be due at the time the assignment is made, or, at any rate, by the time suit is brought by the assignee. In the case of *Huse* vs. *Ames* (104 Mo. 91) the defendant sought to set off against a demand due at the time of the assignment a claim against the assignor for money paid by the defendant after the assignment, as surety for the assignor, in discharge of a liability which had accrued before the assignment, and it was said: "While the insolvent is not bound to pay otherwise than according to his contract, it is considered no hardship that he should accept payment of a demand owing to him before maturity."

Hence, it has been often ruled in the State of New York and is now the law of this State, that, if the claim against the assignee was due at the date of the assignment, then there is an equity, because of the insolvency of the assignor; and the debt so due may be set off against the claim in favor of the assignee, though the claim held by the assignee was not due at the date of the assignment. (*Smith* vs. *Spengler*, 83 Mo. 408; *Smith* vs. *Felton*, 43 N. Y. 419; *Smith* vs. *Fox*, 48 N. Y. 674; *Coffin* vs. *McLean*, 80 N. Y. 560.) But the claim against the assignee must be due at the date of the assignment, and, if it is not then due, there is no equitable set-off. (*Keep* vs. *Lord*, 2 Duer, 78; *Myers* vs. *Davis*, 22 N. Y. 489; *Chipman* vs. *Bank*, 120 Pa. St. 86, 13 Atl. 707.)

A demand cannot be set off because of the insolvency of the plaintiff in equity any more than at law, unless it existed against the plaintiff, in favor of the defendant, at the time of the commencement of the suit, and had then become due. (*Reppy* vs. *Reppy*, 46 Mo. 572; *Spauling* vs. *Backus*, 122 Mass. 553; Pom. Eq. Jur. § 704; *Lockwood* vs. *Beckwith*, 6 Mich. 168.) * * * To justify a set-off against an assignee for the benefit of creditors, there must be a present debt due at the date of the assignment. In this respect a surety stands on no better footing than any other creditor. The defendant had no such debt against the assignor at the date of this assignment. Indeed, he had no such debt when this suit commenced."

It is, however, insisted by counsel for defendant that whatever was said in that case with respect to the question now under consideration was not necessary to a decision of the case, and was merely *obiter*. But we are unable to concede that proposition. In that case, Huse, as the assignee of the Lindell Hotel Association, brought suit against Ames for the amount due the association for a board bill. At the time of the assignment, Ames was an accommodation indorser for the association on several notes not then due, which exceeded in amount the board bill. Ames afterwards paid off the notes, and when sued for his board bill he pleaded by way of equitable set-off, the amount which he had subsequently been compelled to pay for the association, and it was held that the right of equitable set-off did not exist.

As an evidence that what was said by the court was not *obiter*, a careful examination of the authorities cited by the court in its opinion upon that question is all that is necessary. Thus, in *Keep* vs. *Lord* (2 Duer, 78) it is said that:

"Where two persons are indebted to each other on disconnected demands, and one becomes insolvent, the solvent party cannot maintain an action, for that cause alone, to compel an equitable set-off, before the debt owing by the insolvent party becomes due. If, before it becomes due, he assigns the demand against the solvent party, the assignee may recover the assigned demand, free from all claims of set-off on the part of the solvent debtor against the insolvent, when there is no pretence that the assignment of the claim was made with intent to defeat the set-off. When no other ground exists to support an equitable set-off than the insolvency of one of the two parties severally indebted to each other, the right of set-off does not attach until the debt owing by the insolvent has become due."

Chipman vs. *Bank* (120 Pa. St. 86) was an action by the assignee of an insolvent estate to recover from a bank a balance to the credit and subject to the check of the assignor at the date of the assignment; and it was held that the bank could not set off notes or drafts indorsed by and discounted for the assignor before, but maturing after, the assignment. The same rule was announced in *Spaulding* vs. *Backus* (122 Mass. 558) and in *Lockwood* vs. *Beckwith* (6 Mich. 168). The same criticism of the Huse Case that is made of it in this was made in the case of *Kortjohn* vs. *Bank* (63 Mo. App. 166) in which it was not only held that a debt owing by a person who makes a voluntary assignment for the benefit of creditors, but not due at the time of the assignment, cannot be set off against a claim held by the assignor which was due at the time of the assignment, and which passed by reason thereof to the assignee, but the Court said: "The court distinctly based its rulings on the fact that no debt was due Ames at the time the assignment was made." The case of *Rubey* vs. *Watson* (22 Mo. App. 433) does not, we think, announce a different rule.

3. Another contention is that as the record shows that, prior to the discount of the notes of Ripley & Bronson, they were informed that their deposit account must be kept up, or they could not procure accommodations from the bank, they were clearly advised thereby that the credit was extended to them upon the faith of their general balances, and that the defendant not only relied upon their credit, but also upon the fact that in the event of insolvency it would have a fund to look to within its own control, which might be applied upon whatever indebtedness might be owing to it at the time of such insolvency; and this raised an implied agreement between Ripley & Bronson and the defendant that, to the extent of their deposits, the bank, in the event of failure, would have a fund to look to, to indemnify it; and that this gave the bank a special equity to look to that fund in the event of insolvency.

As a banker has no lien upon his customers' deposits for advances made him which are not yet due. equity will not permit a set-off of unmatured demands against such deposits, in the absence of an express agreement to that effect. An implied agreement, even if one could be drawn from the evidence adduced in this case, will not do. But no such agreement can be implied from the testimony of Van Blarcom, defendant's Cashier, and that was all the evidence upon that question. It is true that he testified that Ripley & Bronson promised to keep a fair balance with the bank to justify the credits then being extended to them by the bank, but that did not imply that such balance was to be applied to the payment of their debts to the bank not due, or under any and all circumstances before they became due. Ripley & Bronson could have derived no benefit by discounting their paper if in so doing they were required by the bank to keep up a balance account to any considerable extent which might be applied at any time, whenever defendant saw proper, to the liquidation of the discounts, whether due or not.

Under such circumstances, it would have been better for them to have used the balance to their credit. This evidence seems to us to be rather inconsistent with the idea of an implied agreement between Ripley & Bronson and the defendant by which the defendant was to have the right, in the event of the failure of Ripley & Bronson, to apply the amount of their deposits to the payment of their debts to the bank, although then not due, than in favor of it. The universal doctrine is that a bank has no lien upon money standing to the credit of one of its depositors for an indebtedness to the bank not matured, although the depositor may be insolvent. (*Beckwith* vs. *Bank*, 4 Sandf. 604, 9 N. Y. 211.) The rule is thus announced in *Dougherty* vs. *Bank* (93 Pa. St. 227): "A bank has no lien on money standing to the credit of one of its depositors for the amount of a note of such depositor discounted by the bank, but which has not matured. The purpose is that the customer may draw out at his pleasure the avails of his discount. A debtor in one sum has no lien upon money in his hands for the payment of an unmatured debt owing to him, and a bank is debtor for the discount which is placed to its depositor's credit."

So in *Fourth Nat. Bank* vs. *City Nat. Bank*, 68 Ill. 398, it is said: "Such a claim would be destructive of the very purpose of a bank accommodation such as this was. If a bank can retain the money as against the note, of what use to the borrower is the discount? The universal custom informs us what the contract of all the parties to such transaction is. * * * In the very nature of such transaction, a banker's lien cannot extend to the money left on deposit with him according to the custom and usage of banks. It has never been so extended, but is confined to securities and valuables which may be in the banker's custody as collaterals." The same rule is announced in *State Sav. Association* vs. *Boatmen's Sav. Bank* (11 Mo. App. 292) and in *Jordan* vs. *Bank* (74 N. Y. 467).

It follows from what has been said that defendant was not entitled to have its demands against Ripley & Bronson which were unmatured at the time of their assignment to plaintiff set off against their deposit account then due, nor was there any lien in favor of defendant on said account which entitled it to apply the amount of said accounts to their demands which were not due at the time of the assignment. Finding no reversible error in the record, the judgment is affirmed.

GANTT, *P. J.*, and SHERWOOD, *J.*, concur.

REFUSAL OF BANK TO PAY CHECK—ALLEGATIONS OF COMPLAINT.

New York Supreme Court, Appellate Term, April 26, 1897.

EICHNER *vs.* BOWERY BANK OF NEW YORK.

Where a bank refuses to pay a check on the ground that the drawer has not the amount thereof to his credit, it is not necessary to allege that the check was indorsed by the payee.

This was an appeal from a judgment sustaining a demurrer to the complaint on the ground that it did not state facts sufficient to constitute a cause of action.

DALY, *P. J.:* The complaint fails to allege that the check was indorsed by the payees, and, as it was payable to their order, this was necessary before the bank could be required to pay it. (*Rowley* vs. *Bank* [Sup.] 18 N. Y. Supp. 545; *Lynch* vs. *Bank*, 107 N. Y. 179.)

There is an averment that the check was presented for payment in the usual course of business, but this is not equivalent to an allegation of endorsement. It would be in the usual course of business if presented to the proper officer in the usual manner, and the allegation does not necessarily embrace more. So that averment does not help the pleading.

The complaint does, however, contain allegations which seem to render it unnecessary to allege endorsement, viz. that after the bank had refused to pay the check when presented, stating it was "no good," the payees, at plaintiff's request, again presented it, informing the bank that it must have made a mistake, but the bank persisted in its refusal to pay the check, and insisted that the same was no good, and that they were not indebted to the plaintiff in any such sum.

It is manifest that the refusal to pay the check, based upon the ground that the bank was not indebted to the plaintiff in any such amount, made it unnecessary to go through the idle formality of indorsing the check, if it had not been indorsed before. The refusal was placed upon a specific ground, and it would be useless to do anything which would not and could not obviate the specific objection. The refusal of the bank was a repudiation of its obligation under its contract with the depositor, and was equivalent to a declaration that no check for the amount for which plaintiff's check was drawn, or a greater amount, would be honored. This was a breach of the contract, and entitled the plaintiff to sue without further demand.

* * * * * * * * * *

In this case the contract of the defendant, the bank, was to pay on demand, either by presentation of a check or otherwise; and a notification, to any party who might rightfully make the demand, that the bank was not indebted to the drawer, dispensed with the formality of presentation of a check, or indorsement by the payee of a check then presented, as essential to an action by the depositor.

Judgment reversed and demurrer overruled, with costs in the City Court and in this court. All concur.

PROMISSORY NOTE—EQUITABLE DEFENSES—BURDEN OF PROOF—KNOWLEDGE OF OFFICERS.

Supreme Court of Iowa, April 9, 1897.

BENNETT STATE BANK *vs.* SCHLOESSER.

Where in an action by a bank as indorsee of a promissory note the maker pleads that it was obtained from him by fraud, the burden is upon the bank to show that none of its officers had notice.

This was an action upon certain promissory notes, which had been purchased by the plaintiff from the payees. The defendants defended upon the ground, among others, that the notes had been obtained by the payees through fraudulent representations.

Kinne, *C. J.* (omitting part of the opinion): It is next contended that the court erred in not sustaining plaintiff's motion to direct a verdict for it. There was sufficient evidence of fraud to send the case to the jury, but it is urged that there was no evidence which tended to show that plaintiff, when it purchased the notes, had notice of the matters now urged as a defense to the notes, and that in fact the evidence shows that plaintiff had no such notice. It appears that plaintiff's Cashier testified that he made the deal with Wroughten & Co., in which the bank took these notes in suit; that neither he nor the other officers of the bank had any notice of the matters pleaded by the defendant as a defense to said notes. No objection was interposed to this evidence whereby the Cashier undertook to testify to want of notice on the part of all the other officers of the bank. Nevertheless, as to them, his testimony was not conclusive, and was, at best, as to matters as to which he could have had no actual knowledge. Under such circumstances we have held that the question of notice and good faith in making the purchase of notes by a partnership or bank is one for the jury. (*Frank* vs. *Blake*, 58 Iowa, 750; *Bank* vs. *Paddick*, 90 Iowa, 66.) Following these cases, there was no error in the ruling upon the motion in this respect.

* * * * * * * * * *

Lastly, it is insisted that the verdict was not warranted by the evidence. We think the evidence sufficient to justify the verdict. Perhaps the doubtful matter is as to whether the plaintiff took the notes without notice of the defenses now urged against them. As we have said before, that is a matter properly submitted to the jury, and we ought not to interfere with their finding in that respect. The burden was on the bank to show that none of its officers had notice. This, in view of our previous holdings, it did not discharge by showing such fact by one of its officers only. Affirmed.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: IRVINGTON-ON-HUDSON, N. Y., Aug. 27, 1897.

SIR:—In the August issue your reply to "Teller," that in regard to checks payable to "Self," "Self or order," the drawer's endorsement is not necessary and that the bank has no absolute right to require it, I am prompted to ask you if it would be good banking to pay such checks without endorsement? Suppose the drawer should deny in the course of a month or more that he had received the money, how could the bank prove that payment was made to the drawer? On the other hand if the check were endorsed in blank the drawee could at least claim that the check was payable to bearer. Will you be good enough to throw more light on this point and oblige a READER.

Answer.—We agree with our correspondent that, for the reasons suggested by him, viz.: that the bank may have the written evidence that payment was properly made, it is wise and prudent in the case stated to require the indorsement of the drawer. Nor do we know of any reason why this may not be done. The dealings between a bank and its customers are not necessarily governed by the rules applicable to commercial paper, and the bank may prescribe the terms upon which it will receive and pay out deposits. It would be quite reasonable to require that checks payable to the order of the drawer shall in all cases be indorsed by him; and a rule to that effect would be enforced by the courts. In the absence of such a rule, however, the bank in refusing to pay without the indorsement of the drawer, would be guilty of a technical default; and in an action by the drawer against the bank for such refusal, it would not be a defense to the bank that he refused to indorse. But the question is rather technical than practical, for the measure of damages would be the amount of the check. The depositor could therefore gain nothing substantial by insisting upon his strictly legal rights, and in this State if the check were for less than fifty dollars he would lose by it, since the costs would be against him.

Editor Bankers' Magazine: ST. LOUIS, Aug. 23, 1897.

SIR:—Referring to page 54 of your July issue, we desire to know if you decide that where no clearing-house rule governs it is law that a forgery of the payee's name on a Cashier's check would be the loss of the issuing bank, which might issue same at request of a customer without having signature of payee? Also, if a bank issues a certificate of deposit like this: "John Smith has deposited —— dollars, payable to the order of T. Snooks," and if paid on a forged endorsement of Snooks would not issuing bank have recourse on the bank or person to whom paid, he or it not being the forger? P.

Answer.—The rule that a bank is required to know the signature of its customer is only an application of the broader rule that the drawee is presumed to know the signature of the drawer, and if he pays a bill to which the drawer's signature is forged, he is bound by the act and cannot recover the money. (See *National Park Bank* vs. *Ninth National Bank*, 46 N. Y. 77; *Levy* vs. *Bank of the United States*, 4 Dallas, 284.) The rule is not peculiar to banker and customer, but is the rule of commercial paper applicable to drawer and drawee. Now, the relation between a bank and the holder of a certificate of deposit or Cashier's check is not that of the drawee or acceptor to the drawer, but rather that of the maker of a promissory note to the payee; and it has never been held, so far as we are informed, that the maker is presumed to know the signature of the payee. The reply to which our correspondent refers was based entirely upon the clearing-house rule mentioned in the inquiry to which the reply was made.

Editor Bankers' Magazine: **MADISON, S. D., Aug. 21, 1897.**

SIR:— Will you give through the columns of the BANKERS' MAGAZINE, for the benefit of your western subscribers, your opinion as to the negotiability under the laws of Illinois of a note drawn there, and reading "on or before," the due date being definite. In other words, will the "on or before" destroy the instrument's negotiability, everything else being regular. **SUBSCRIBER.**

Answer.—We do not find any decisions of the Illinois courts upon the subject; but there are a number of cases in other States in which it is held that a note payable on or before a day fixed therein is negotiable. (*Riker* vs. *Sprague*, 14 R. I. 402; *Kiskadden* vs. *Allen*, 7 Col. 206; *Smith* vs. *Ellis*, 29 Me. 422; *First Nat. Bank* vs. *Skeen*, 29 Mo. App. 115; *Buchanan* vs. *Wren* [Tex.] 30 S. W. Rep. 1077; *Mattison* vs. *Marks*, 31 Mich. 421.)

In the Michigan case cited, Judge Cooley said: "The legal rights of the holder are clear and certain; the note is due at a time fixed, and it is not due before. True, the maker may pay sooner, if he shall choose, but this option, if exercised, would be a payment in advance of the legal liability to pay, and nothing more. Notes like this are common in commercial transactions, and we are not aware that their negotiability is ever questioned in business dealings. It ought not to be questioned for the sake of any distinction that does not rest upon sound reason."

We find nothing in the statutes of Illinois to require a different ruling in that State. The above rule has been adopted in the Negotiable Instrument Law, which provides as follows:

"An instrument is payable at a determinable future time, within the meaning of this Act, which is expressed to be payable:

(3.) On or before a fixed or determinable future time specified therein." (Laws of New York, 1897, Ch. 612, sec. 23. See also laws of Connecticut, 1897, Ch. 74, sec. 4; Laws of Colorado, 1877. Ch. 239, sec. 4; Laws of Florida, Ch. 4524, sec. 4.)

Editor Bankers' Magazine: **SAN FRANCISCO, Cal., Aug. 23, 1897.**

SIR:—When checks received through the clearing-house are taken to the drawee bank, and it is found that a depositor's balance is insufficient to pay all of his checks presented through that clearing, should the bank return all of the checks thus presented, or may it pay such as it may select up to the extent of the depositor's balance and return the others? If all of the checks are returned, can the paying teller immediately proceed to pay, up to the limit of the said depositor's balance, checks which may be presented at the counter? If some of the checks are paid and others are returned unpaid, does the drawee bank become in any way liable to the holders of the unpaid checks which were presented simultaneously with the paid checks? **E. D. WOLFE, *Paying Teller.***

Answer.—It is the usual practice for banks to pay such checks as the balance will cover and return the others. And in the absence of instructions from the drawer, the bank itself may select the checks to be paid and those to be returned. We believe this practice is quite universal, and exists to such an extent that it would be recognized by the courts as a banking custom. Under the rule which prevails in the Federal courts and in most of the States, there is no privity between the bank and the holder of a check, who must look to the drawer alone.

Editor Bankers' Magazine: **RANDOLPH, Wis., Sept. 1, 1887.**

Sir:—A promissory note is signed as follows: "Richard Roe, John Doe, surety." Is John Doe, holden without protest? **F. L. WARNER, *President.***

Answer.—Yes. It is well settled that a person placing his signature upon a note as surety is regarded as a co-maker, and is not entitled to demand and notice of dishonor. (*Tredway* vs. *Antisdel*, 86 Mich. 82; *Fitch* vs. *Citizens' National Bank*, 97 Ind. 211; *Eppens* vs. *Forbes*. 82 Ga. 748; *Hartman* vs. *Burlingame*, 9 Cal. 557.)

AMERICAN BANKERS' ASSOCIATION.

TWENTY-THIRD ANNUAL CONVENTION, DETROIT, MICH., AUG. 17, 18, 19, 1897.

The Twenty-third Annual Convention of the American Bankers' Association, the proceedings of which are fully reported below, was in all respects a pleasant and successful gathering. In point of attendance the recent convention has not been surpassed by any held in late years, there being about one thousand delegates and guests present. This is encouraging to those who have labored so earnestly to make the annual meetings occasions of pleasure and profit to the bankers of the country, and it is to be hoped that next year's convention will have a still larger attendance.

Detroit is a great commercial center and also a most attractive city. Provision had been made by the Detroit bankers for entertaining the convention on a magnificent scale, and every detail of the arrangements was carried out to perfection. Manifestations of hospitality were not limited to mere public formal demonstrations, but were shown in warm personal greetings, in the open homes, and by the delightful series of drives, excursions and other suitable forms of entertainment arranged by the committee for the pleasure of the visitors.

All who were fortunate enough to be present at this convention will long retain pleasant recollections of the city of Detroit and her people, especially the bankers who contributed so much of their time, taste and money in entertaining their guests.

A most notable feature of the convention was the hopeful tone that characterized the reports of the various State Vice-Presidents. All told of reviving business and brightening prospects. If there is anybody so foolish as to believe that bankers take delight in hard times, their minds will be disabused by reading these reports.

These annual meetings serve a good purpose in bringing together the bankers from different parts of the country, who however widely separated by distance, find that there is a commonalty in their interests. There is no feeling of sectionalism among the bankers, but all are united in the determination to do everything possible to assist in restoring prosperity in all parts of the country.

Captain Robert J. Lowry is to be congratulated on the success of the Association during his presidency, the large increase in membership being especially gratifying. This result has been reached by the energetic and harmonious efforts of the officers of the Association, and it is no doubt in a large part due to the demonstrated usefulness of the work of the Protective Committee. Col. James R. Branch, the efficient Secretary, has also been diligent in his endeavors to increase the membership, with what success may be seen by the substantial gain shown in his reports.

The American Bankers' Association has passed the stage of experiment

and its practical benefits are no longer questioned. It has also fully established its right to speak with authority for the bankers of the United States, and it is exerting an influence for good that can not be easily measured. With the wider liberality in management assured by the amended constitution, it may be confidently predicted that the Association will enter on a career of still greater usefulness to the banking and commercial interests of the United States.

NOTE.—Steel-plate portraits of Hon. Jos. C. Hendrix, President of the Association, and of Mr. George H. Russel, First Vice-President, will appear in the October issue of the BANKERS' MAGAZINE.

FIRST DAY'S PROCEEDINGS.

The twenty-third annual meeting of the American Bankers' Association convened in the Detroit Opera House, Detroit, Mich., Tuesday morning, August 17, 1897. President Robert J. Lowry, of Atlanta, Ga., in the chair.

THE PRESIDENT: The exercises will be opened with prayer by the Reverend Henry A. Schapman, S. J., of Detroit College.

PRAYER BY REV. SCHAPMAN.

Let us reverently place ourselves in the presence of Almighty God.

Almighty and Everlasting God, from whom cometh down every good and perfect gift, hear the prayers of these Thy servants, that guided by Thy Holy Spirit all their words and actions may tend to the glory of Thy name, to the benefit of the country at large and of the different communities from which they have come together.

Through Christ, our Lord, Amen.

On motion of William H. Rhawn, of Philadelphia, the calling of the roll was dispensed with.

THE PRESIDENT: We will now listen to an address of welcome by the Mayor of this city.

ADDRESS OF WELCOME BY MAYOR WILLIAM C. MAYBURY.

Mr. President, Ladies and Gentlemen—It affords me very great pleasure to welcome you to this goodly city, and I perform no perfunctory duty on behalf of our people in giving voice to this welcome.

I might say, perhaps, there are a few of us who are particularly glad to see you come from abroad; because as the prophet is said to be not without honor save in his own country, so there are some of us that may not be without honor save in our own country, and as I came in the door a friend said to me to suggest to the visiting bankers that if they were here prepared to do a little discounting just to cover expenses, there were several notes around without collateral that they could have for the asking (laughter), and I trust there will be no hesitation about accepting this part of the hospitality, although it does not appear on the regular programme.

A good lady asked me whether I had an idea that the visiting bankers would keep up the ratio of good looks that prevails among the bankers of Detroit. I am very sure if she were here now she would be prepared to say, yes, for I want to say to you that there are several things that a gentleman must accomplish in Detroit before he is allowed to enter the banking business, and the first is, he must be good looking. There are a great many lady depositors in Detroit. Our bankers are like poets — they are born, not made, and when a man is found in this community whose courtesy is of that high order that he can refuse a discount and make a disappointed applicant go away apparently happy, why, we choose him as our banker. (Laughter and applause.)

You will recognize also, my friends, the very great temptation under which our bankers labor. It is a desperate thing to be so near the happy land of Canaan, and to live in the midst of the environment of Detroit when the luxuries of Canada are so near by; but be it said to the glory of the bankers of Detroit they are all with us, struggling for their three meals a day, and getting it, most of them, I think, and dwelling as door-keepers in this tent, rather than to dwell in the land of unrighteousness in luxury.

My friends, every trade and every calling in life has its ideal, and I know that while I cannot speak without trenching upon the modesty of the living ideals of the banking life as we have it in Detroit, I may fittingly refer to those who are unhappily not with us. We had ideal bankers in the past. It will not be invidious to the memory of the many if I am contented to speak only of one. There walked in our midst a man who had the rare good fortune to escape the public service, and his life depended upon his daily walk and conversation among his fellow men in this community; so kindly of manner, so gentle of speech, so lovely in all his attributes of manhood, that though the years are becoming fast apace since Charles C. Trowbridge left our midst, the memory of his virtues as a gentleman banker remains with this generation and will continue with the generations to come as a loving benediction and a loving memory. (Applause.)

Whatever may be said, my friends, of the banker or money-changer, we know that in the past he has not been, in the ordinary acceptation of the term, a popular person and never will be, I presume, so long as there is a discount to be made, or interest to be computed. But the world recognizes in the banker of to-day the man who is in charge of material interests of the world, more so than any other man in it, and when the history is written of the days through which we are passing — and I say it without the intent to offend modesty or pain diffidence — the depreciated values constantly dropping, as they are to-day — the historian of the future will write to the glory of the modern banker that very few of them were found disloyal to their great trust. (Applause.)

The banker of to-day, I think, recognizes that thing which is growing daily upon us all — the idea that this world in the future is going to judge of men and of trades, and of communities, as it never did before. The answer is, going back to the question, am I my brother's keeper? Yes, and that man, and that profession, and that trade will fall far short of doing its duty when it is not at least indirectly contributing to the common welfare of mankind. (Applause.)

We welcome you as representing this calling, and for yourselves and the high personality which you bring among us. We welcome you to this conservative city, whose securities have always stood high; and, more than this, we welcome you to a city whose people are loyal and loving and honest. (Applause.) We welcome you to a community that has learned and has always known that the cunningest thing a man can do, or a city or a nation can do, is to be honest. (Applause.) We welcome you to a city where the cry of the needy has never gone up without receiving a prompt response. We welcome you to a city redolent with names honored in the nation's history, both in peace and in war; to a city where science is esteemed and religion is reverenced. To these kindly surroundings, and to all of the comfort and hospitality they imply, I bid you a cordial welcome. (Applause.)

THE PRESIDENT: I now have the pleasure of introducing His Excellency, Governor H. S. Pingree.

ADDRESS OF WELCOME BY GOVERNOR H. S. PINGREE.

As Governor of the State of Michigan, it gives me great pleasure to welcome to our chief city this gathering of gentlemen representing the banking interests of the country.

It has become the custom of the day, and one which greatly tends to develop our mercantile and industrial power as a nation, to hold conventions of persons engaged in similar pursuits, and having common interests. Bringing together each year men from different quarters of the Union, for the purpose of comparing ideas, formulating rules of trade and making mutual acquaintance, cannot but help towards strengthening mutual confidence and esteem and smoothing the rough places, in this age of competition. When men so meet, they often find that those whom they had heard to be selfish, and hard-hearted are, upon better acquaintance, found to be kind and charitable. And those who, from newspaper information, were believed to be anarchists and bad men, are really actuated by a thought for others and the general good, and not different greatly, upon a more intimate knowledge of their make-up, from ourselves.

"The poor we have always with us." Not so the financiers of the country. It therefore gives me especial pleasure to welcome you to our city and State.

When in 1893 the money panic suddenly came upon us, it was the bankers who, putting shoulder to shoulder, in this city, and I believe in many other cities, protected their depositors and averted a general panic and loss. Bank helped bank. Rivals worked to save each other from loss. A business is best conducted when it is conducted honestly; not alone honestly towards ourselves from our standpoint, but honestly towards other men from their standpoint. I believe that upon the whole, banking is so conducted that the conduct of banks is yearly becoming more careful and conservative. As guardians of other people's stored-up effort, which has been entrusted to their care for safe keeping and use in commerce, a bank should be like Cæsar's wife, above suspicion.

I do not pretend to fully understand the theory of money, being but an every-day manufacturer of shoes; but I have a thought which I wish to start rolling for discussion.

Whatever men's ideas may be upon the subject as to what money metal of ultimate redemption is best in the world's commerce and monetary systems, I believe it is conceded that when silver gradually ceased to be part of the stock used for such purposes in the balance of trade and otherwise, the available amount of primary money was reduced about one-half. To remedy this state of affairs it is sought to effect an agreement among nations whereby the unit of measure may again be in either gold or silver at a certain ratio, called bi-metallism.

Should it be possible to effect such an agreement, or should the people of the United States decide to hereafter use gold alone for money of ultimate redemption, a condition of affairs may be imagined when such a large proportion of the world's annual gold product shall be used and consumed in the arts that an increasing stringency in gold coin will occur. The use of gold in the arts is now increasing from year to year. As I understand it, the principal purpose of remonetizing silver, either with or without foreign assent, is to increase the available supply of ultimate money of redemption.

All parties are agreed in their platforms as to the expediency of doing so, if possible. We are a debtor nation and owe dollars and are interested that the purchasing power of a dollar shall not increase from year to year, and hence we are interested that the total number of gold dollars in the world shall increase rather than diminish.

It seems to me that there is yet another way of increasing the stock of the world's coined gold, which may be worth your consideration. A monetary system of a nation is sound or unsound, depending upon how much coined gold it has in its treastury to redeem paper promises to pay. The Director of the Mint reports that in 1895, out of the total world's gold production of $200,000,000, $58,000,000 were used in the arts. And out of the United States gold product of $46,000,000,

$13,000,000 were used in the arts, where the greater portion of it is beyond recovery. As men grow more wealthy, more and more of the world's gold is used for purposes other than coinage.

These data are from facts within the knowledge of the mint. Much coined gold must have been used in the arts of which there is no record. It is, therefore, fair to say that nearly forty per cent. of the yearly gold product of the world is not coined as a circulating medium. If any method could be devised to prevent the increasing use of gold in the arts, by a tax upon manufactured gold in the shape of jewelry, goldleaf, or any other form, other metals might in a large degree take the place of gold so used. If nations are interested in increasing the stock of the world's coined gold, to make sound their monetary systems, an agreement to tax manufactured gold might be reached. It is plain that unless the output of gold continues at even a greater ratio than in the past five years, it will not keep up with the demand for it in the world's expanding commerce and increasing population, in view of this increasing gold consumption, and present conditions will grow worse.

A decreasing supply of money per capita cannot but tend to concentrate falling prices for labor or commodities. In order that the purchasing power of money may remain constant, it is necessary that the ratio between available primary money and commodities be constant. This condition is fair to both borrower and lender. It does not seem unreasonable that a varying tax upon manufactured gold by mutual agreement would tend to regulate this. It seems to me that the plan of putting a tax upon manufacured gold, as I have suggested, is feasible and would produce good practical results. It would in the first place be a means of raising revenue from those best able to help the Government, and in the second place it would have a tendency to increase the amount of gold that would be used purely as money.

Now, a word about National banks and private corporations. A National bank is a corporation organized under laws that are intended to keep it honest in the matter of paying its debts. These laws also have a tendency to keep men who do not mean to pay their debts out of the national banking business. The liability of the stockholders to the amount of their stock in addition to the amount invested, and the stringent holding of directors to watchfulness and duty, make a National bank perhaps the best model of a corporation that has thus far been worked out.

One great cause of complaint against many of our private corporations is that the laws tempt people to organize them for the very purpose of escaping responsibility for the debts that are to be contracted. Many of these debts are in conscience individual obligations. They ought to be the same in law. A corporation is organized ostensibly so that men who would otherwise be in partnership can continue business without its being entangled with the estate of a deceased partner. But if the business becomes a failure except as to certain debts, the stockholders are not generally liable to the creditors.

Laws of this kind sap the individual character of our age. They lower the standard of honesty until people are taught to think that in a collective capacity, as stockholders in a corporation, they may be less honest than as individuals and are relieved of individual responsibility to those with whom they deal. Now, if the principle of reliability on the part of stockholders and directors of National banks were to extend to other corporations, the stockholders would stake their individual reputations, as well as their money, on the result of the business.

Large business interests would be in the hands of men who intended to pay, and they would be released from illegitimate competition of those who, by intentions or recklessness, go into corporate business by which creditors must lose.

Progress will doubtless develop other means for making corporations honest. But I believe we ought not to stop until the responsibility to be honest resting upon corporations which exist by virtue of franchises granted by the public is as great as that which rests upon a first-class honest business man. If something in the nature of responsibility, imposed by the National banking law upon banks, could be applied to all private corporations, I believe that much of the odium which now attaches to corporations in general would be removed. The prosperity of the community depends largely upon its small manufacturers and their ability to borrow money at reasonable rates. When bankers help build up enterprises they help themselves. My advice to bankers is to help small maunfacturers in every reasonable manner.

As regards the taxing of banking capital: As long as we apply the principle that all property in whatever shape it may be, whether real or personal, shall be equally taxed, property in the shape of money should certainly bear its just proportion of the public burden, and hence banking capital, which has an earning power, should also be taxed; but at the same time not discriminated against by any method of double taxation.

An amendment to the national banking law permitting National banks to lend as State banks do, upon real estate, could not but tend to benefit both bankers and those who borrow from them. I believe that such an amendment is important, in view of the fact that in this State National banks are decreasing, while State banks are increasing in number, there being but 85 of the former to nearly 200 of the latter in Michigan. It is further well worth your consideration to take up the subject of parent and branch banks, which seem, in most countries, to give excellent results, and especially so in our sister, Canada.

THE PRESIDENT: I now have the pleasure of introducing Mr. George H. Russel, of the Detroit Clearing-House.

ADDRESS OF WELCOME BY GEORGE H. RUSSEL.

Mr. President, Members of the American Bankers' Association, Ladies and Gentlemen—I feel that some excuse probably is necessary to account for the change of programme which brings me before you to-day. The Committee very much regret that our worthy Chairman, Mr. Butler, is unable to extend a welcome to you in fitting terms, and some substitute had to be chosen at the last moment. I think there came an intimation from your brave President that he would like to tackle a man of his own size, and so I was chosen as the heaviest man in the banking community of Detroit to face Captain Bob Lowry. (Laughter.) Anyhow, as a substitute had to be chosen, I am very happy that it has fallen to me to extend the welcome.

I see so many faces here that I have seen in other conventions, friends that I have met and made, that I am pleased and proud to be here. Therefore, on behalf of the Detroit Clearing-House Association, the associated banks of Detroit, the bankers of the State of Michigan, whose agents we are, I desire to bid you a cordial and hearty welcome. We wish to do for you all that bankers can. The Mayor of the city has had the right to give you the keys of Detroit. We can extend to you the hospitalities of our city, our homes, our offices, and we will be glad to give you some of our surplus money on the usual terms, with good collateral or approved endorsements. There is a plethora of it just now that we would like to have some of you take home with you. I think there are some $6,000,000 excess reserve in the Detroit banks to-day. (Applause.)

We are glad to see you here from the East, and the North—I mean not from the North, although we have a few friends here from Canada, but especially from the East, and the South, and the West.

Detroit, heretofore called the City of the Straits, has now become known as the Convention City of America. Sixty-eight different conventions meet here this year.

As representing the banks and the business community, the commercial and the manufacturing industries whose interests we are called upon to foster and conserve, I can give you a broader welcome than from our own banking community alone.

Let me give you a few facts about Detroit. I think by this time you all know where you are at. Detroit is the central northern city in the commercial part of the United States, and has nearly three hundred thousand population. In 1890, Detroit was the sixteenth city in size in the Union. We have moved up a place, and I think we have grown one better now. It was the thirteenth city in imports; the twelfth city in exports; the tenth city in post-office receipts; a city with clearings of about $350,000,000 a year; a city with a business going by her wharves on her beautiful river, scarcely to be estimated. Can you comprehend that about 28,-000,000 tons of freight pass upon the bosom of our river—seven times larger than the Suez Canal, and greater than London and Liverpool combined, or the whole Atlantic coast—and yet those figures can be supported by facts.

We do business for about three-quarters of the banks in Michigan as their clearing-house agents. The other quarter choose a little city on the south end of Lake Michigan, because it is somewhat nearer to them. (Laughter.)

I have had only a short experience in banking, and I will not attempt to deliver any homily upon the silver question (laughter), or talk about corporations. We as banks have to depend so much upon the good faith of corporations that we like to foster and encourage them. They do a work that cannot be done by the individual, and the bank itself is a corporation, and usually an honest one. (Applause.)

The Committee have prepared for you a programme of entertainment that, with propitious weather and our natural advantages, I trust may be pleasing to you. We want you to give us as much time as possible, and yet not interfere with the business of the Association. I know your programme is an excellent one, and if it draws out the discussion intended, it will encroach upon the time that we wish you to give us for social intercourse and enjoyment. So I will not detain you longer, excepting again, in behalf of all the people of Detroit, the business man, the mechanic, who has his savings in the bank, the merchant, the manufacturer, all whose interests we look after—I again wish to make you entirely welcome to this their city.

Your good President favored me with a visit to my home. I had to engage a yacht to take his trunks up to the house. One of them was particularly heavy, and I said, "Lowry, what have you got in that trunk?" Well, he wouldn't tell me for a good while, but after a time he gave me so much more information and facts and statistics about Detroit than I who had been born and raised here knew, that I knew he must have brought a whole encyclopœdia with him, and had been studying it every minute on the way. He is prepared at all times to give me a roast because he knows he is better looking than I am, and some people have mistakem me for him. It is merely a question of size. If I turn my back to you, I look like Lowry. (Laughter.) That is flattering enough. I hope when I do turn from the audience, you will see a resemblance to our genial President. I hope that when I leave the stage of life I may leave behind me the good friends, the kind thoughts, and the many excellent qualities that your President enjoys.

I thank you all for the patience shown me, and I hope you may make yourselves at home in our city, and let me again, as though I were shaking each man by the hand and embracing every woman, welcome you. (Applause.)

Response of President Robert J. Lowry to the Address of Welcome, and His Annual Report.

Though it has often fallen to my lot, in business and otherwise, to contend against odds to an extent which may possibly have blunted my sensibilities to such conditions, I am willing to confess that on this occasion the odds against me are rather out of the line of my past experience, and I find myself somewhat at a loss to adequately express the thanks of the Association over which I have the honor to preside, for this triple welcome from His Excellency, the Governor of the great commonwealth of Michigan, his honor the Mayor of this beautiful metropolis of the State, and the Chairman of the Detroit Clearing-House. My friends, three to one is a pretty serious odds to contend with under most any circumstances, but when such odds is a handicap in a talking contest, and that handicap made up of one Governor and one ex-member of Congress, and one business man against one man of business, the odds may reasonably be called rather unfair. Had the welcome extended by His Excellency, His Honor and the Chairman of the Clearing-House devolved solely upon the last-named gentleman, I would certainly have felt less uneasiness as to the result, for no doubt, like myself, he is more accustomed to act than to speak. But, Your Excellency, Your Honor and Mr. Chairman, I shall enter no demurrer to the advantages that have been taken in the way of odds against me on this occasion, for after hearing what each of you have said, I am satisfied that your welcome of the American Bankers' Association to your State, city and business community, is so broad and so hearty that no one of you could have single handed done the subject full justice; and on behalf of our Association I wish to assure you that individually and collectively we shall do our best to leave such an impression behind when we adjourn as will convince you that we did most sincerely enjoy this triple welcome, which has been so generously extended to our organization. Acts, not words, shall prove to you our appreciation of your kindness.

But, gentlemen, if no formal welcome had been extended to the American Bankers' Association, our knowledge of and intercourse with representative men and women of Michigan and Detroit, on previous occasions, would have been equivalent to a certified check on your hospitality, and even had this failed, as an organization of business men we knew that this visit of ours to your State and city would prove not only a pleasure but instructive, from the knowledge we shall gain of the wonderful accomplishments and the possibilities of this section of our country. Of the galaxy of States which make up this great republic, two of these are remarkable from the fact that they are the only peninsulas over which floats the flag of the United States; one of these peninsulas (Florida) occupies the extreme southeast section of the Union, and separates the waters of the Gulf of Mexico from those of the Atlantic ocean; the other (Michigan), nearly surrounded by four of the five great lakes, forms in part the northern boundary, which separates us from our friends in Canada. On one of these peninsulas is to be found the oldest city (St. Augustine) in our territory, and on the other, the oldest city (Detroit) west of the Alleghanies, being older than Philadelphia or Baltimore, and many other cities located on our Atlantic coast; in fact the site of this beautiful city was selected by the great French navigator, Champlain, before Hendrick Hudson even saw Manhattan Island. Three nationalities have had a hand in building up this beautiful city; founded by the enthusiastic Frenchman, wrested from his grasp by the indomitable courage of the British, to fall in 1796, like ripe fruit, into the hands of the irrepressible Yankee. Detroit to-day is influenced by some of the characteristics of the three nationalities, for Detroit takes hold with the enthusiasm of the French, builds with the conservatism of the English, and pushes to completion with the energy of the Yankee every undertaking which her people approve; while St. Augustine, her elder sister, though boomed by Yankee capital and energy, still rests under the blight which seems to follow everywhere the bloody hand Spain has touched.

Gentlemen of the American Bankers' Association, when you look upon the strait upon which this city is located and from which it takes its name, bear in mind that the tonnage which is buoyed by the incalculable volume of water which passes through Detroit River, is as great as that which enters the port of London, the largest commercial center of the world. And also bear in mind in this connection that in 1701 Cadillac, the founder of Detroit, first entered this broad strait with a fleet of 25 birch-bark canoes, which could now be stored away in a corner of some of the 6,000 steam and sailing vessels, manned by over 50,000 men which yearly come and go from Detroit. Your Excellency, I have been struck with the fact that the great State over whose destinies you now preside has a shore line made up by "the great sea of Sweetwater," which bounds it, that measures in miles almost as much as the Atlantic Coast from the extreme point of Maine to the mouth of the St. Mary's River, which separates Georgia from Florida. Again, Sir, your State is second only to Pennsylvania in mineral products; with only these two facts in view who can predict the future possibilities of Michigan? A prediction, under these conditions, would be as unwise as would have been one from Cadillac in 1701, in regard to the future of this beautiful city. But, gentlemen of the American Bankers' Association, I have said enough to warrant me in repeating that our visit to Michigan and Detroit will prove not only of interest, but instructive, and I know that each of you will approve when I repeat that by our acts we will show our appreciation of the hearty welcome we have received at the hands of His Excellency, the Governor; His Honor, the Mayor, and the Chairman of the Detroit Clearing-House.

ANNUAL REPORT AND ADDRESS OF THE PRESIDENT.

Gentlemen of the American Bankers' Association—One year ago we met in our twenty-second annual convention at St. Louis, where through your kind partiality I was most highly honored by being elected President of your Association. At that time the country was in the throes of a national election; party spirit ran high, and prejudices were aroused as never before in my experience; the finances of the country were seriously imperilled and confidence shaken. At that meeting this Association, composed of a class of business men who were intimately connected through business relations with every branch of industry, and representing about a billion of banking capital, declared most emphatically that gold was the only safe standard of value, and that this great country, ranking as one of the foremost commercial nations of the world, could not join with other nations of lower commercial rank in fixing on a baser metal as the basis on which a sound currency should rest. The recent discoveries of rich deposits of gold throughout the world, and renewed energy given to the gold mining interest in Arizona, Colorado, Georgia and other States of the Union, indicates the approval of our action by Providence.

It is a matter of congratulation, that after a heated canvass and discussion of nearly a year, the people of the country through the ballot box, fully and completely endorsed your position. The results that were reasonably expected to follow this action of the people are being slowly but surely realized; confidence, the foundation of all commercial prosperity, is being restored. This assertion needs no argument to establish its truth; it can be seen and felt by all who are not blinded by prejudice, and whose sensibilities are not calloused by ignorance. No one will deny that our country, for the last several years, has been passing through the deep waters of depression. This we all know and fully realize, yet while we hope and feel that we are now where the bottom can be touched, and while we earnestly wish to reach the shore of prosperty; we want that prosperity to be based on the sound foundation of confidence. We want nothing sporadic, nothing sectional, no prosperity of a class, but general prosperity, prosperity not only for the banker, the merchant, the manufacturer, the farmer, the mechanic and the laborer; in a word we want a prosperity which will reach out and touch every section, industry and business in this great country. To this end, gentlemen, we are working, and this end we most certainly will reach by honest, united, continued and determined effort.

It is most gratifying to be able to say that within four months after the adjournment of our Association at St. Louis, a monetary convention met in January at Indianapolis, composed in membership of manufacturers, bankers, merchants and representatives from nearly every pursuit and calling, and that this convention endorsed by solemn action the declaration made by this Association in favor of making gold the only unit of value, and recommending such reform by Congress of our national financial system as would bring about a stability in the value of our currency, as would make it "equal to that of the most advanced nations of the world." The action of this monetary convention in suggesting the creation by law of a commission to formulate a plan to carry out the demand of the people, as recorded at the recent presidential election, exerted an influence upon President McKinley which resulted in a formal message from him to Congress in which he endorsed the recommendation of the Indianapolis Convention. While this message of the President was not acted on by Congress during the recent extra session, we confidently expect that it will receive the immediate attention of our statesmen as soon as Congress shall assemble in regular session; for no doubt the majority of our representatives fully appreciate the demand the people have made for financial reform on the line recommended not only by this Association, but also the Indianapolis Monetary Convention.

At the last meeting of the Executive Council, a strong committee was created to begin and push the work of bringing about uniformity in financial and commercial laws throughout the States. This committee's report will show considerable progress in the work, but it is a work which will, of course, require time and persistent effort to accomplish. This demand for uniformity of financial and commercial laws is not a purely selfish demand, but is made for the good of all commercial interests. We ask no special privileges, but the time has come when not only the banking interest, but every other commercial interest, demands a uniformity in laws which will not retard, but further, both local and interstate commerce, and thus advance general prosperity. This object is of such importance that if its consummation shall necessitate an active participation on our part in what is called "politics," then let us resolve to participate and exert an influence which in the end must succeed, and let us now put all political parties on notice as to what our purpose is, and show them plainly that we propose to use all the legitimate influence we can possibly exert to accomplish that purpose.

Another committee has been created whose duty is to get up and distribute broadcast correct information in regard to the relations which exist, or should exist, between banks and the people. General information on this subject, so little understood by the masses, is necessary to counteract the influence of the demagogue whose favorite theme is denunciation of every and all corporations. Banks are not necessary evils; they are necessary instruments or agencies of commerce; incorporated they become artificial persons created by law and governed by law, and so long as they are law-abiding, like the law-abiding natural person, are entitled to protection from the law. Banking is a legitimate business, just as much as any of the other of the varied pursuits of men. It is a business which should be engaged in only by the citizen, never by the Government. For our general or State governments to engage in the business of banking is no more legitimate or politic than for those governments to engage in manufacturing, farming or any other business which would come in competition with the pursuits of the citizen. The right of the government to control through equitable and uniform laws a business conducted by the citizen does not and should not carry with it the right to enter into such business on Government account. Violation of this principle by the Government (though that violation was possibly forced by the necessities of war), has worked harm to the commercial interest of the United States, and is now a standing menace to confidence, as it invites raids upon the Treasury of the Government by the unscrupulous speculator in gold, and places within the reach of financial harpies the means of creating panics upon which they thrive. Of course, I allude to the Government issue of legal-tender paper ; and I do not hesitate to assert that the commercial welfare of this country demands that these legal tenders should be retired, whenever some plan shall be devised by which the volume of sound currency in circulation shall not be reduced by the retirement of the greenback. That this problem can and will be solved to the satisfaction of all concerned I do not doubt for one moment, and the influence of this Association should be pledged to that solution.

The report of our Secretary, Mr. James R. Branch, will show that he has employed means which have resulted in a large increase in our membership. For this work the Secretary deserves, and no doubt will receive, the thanks of the Association. Mr. Branch has received the earnest co-operation of the Executive Council, the Vice Presidents in their respective States, and other officers of the Association. During the past year some one or more of the Executive Council or other officer of the Association has attended the meetings of nearly every State Association and made addresses or read appropriate papers before them; this action has, in my opinion, accomplished much good and exerted an influence in the increase of membership which is most gratifying as will be shown by the report of the Secretary. North Carolina has just formed a State Association.

I commend to your attention the very able report of the Protective Department Committee, which will be read by Vice-President J. C. Hendrix. The report is comprehensive and I am glad to be able to say that the work of our Protective Department has convinced a certain class of outlaws that our Association is fully able to protect its members and determined to detect, convict and punish the burglar, forger, confidence man and all others who make a business of depredating banks.

The report of Mr. Alvah Trowbridge, Chairman of the Executive Council, will show the labor performed, means used and efficient work done by the Council in advancing the interest of our organization. It has been suggested, and the Executive Council has had under consideration, the adoption of some rule fixing a standard of eligibility to membership in the Association; this is a matter well worth our consideration, and while making no recommendation, I will say that the usefulness of any association must in a great degree depend upon the character of its membership.

Our organization now enjoys in a marked degree the confidence of the business public, its importance is recognized, and its opinions sought after and respected ; hence, a high standard of membership should be maintained. In this connection attention is called to a number of resolutions on file in regard to proposed changes in the Constitution of the Association.

For information in regard to the financial condition of the Association, I refer you to the report of our Treasurer, Mr. William H. Porter.

During the year past much correspondence has been considered, coming from all sections of the country, in regard to the effect had upon local business and enterprises by the practice of banks in commercial centers paying interest on daily balances. It is contended that the practice tends to congest the currency in these centers and contract it in localities where it is needed. While I make no suggestion on this question, I regard it my duty simply to present it for your consideration.

My attention has been directed to the great good accomplished by Savings banks. The State of New York alone shows deposits during the past year to the extent of over seven hundred and fifty millions of dollars made by a vast army of depositors, composed of men, women and children, numbering over one and one-quarter millions. I regret to say that the South and West are deficient in these institutions, which should be fostered in every section of the country, for deposits in Savings banks, like the ownership of land, foster an interest in local and national legislation and tends to increase patriotism.

It gives me great pleasure to report that during the past year the officers of the Association have worked together in perfect harmony, and to these officers I wish to return my sincere thanks for the support given me in furthering the interest of the Association, for without their co-operation my efforts would have failed.

Before concluding my report I wish to repeat that no one more than the banker appreciates the great depression in all lines of business which has hung over the country for the past several years, like a dark cloud, smothering energy, paralyzing enterprise and almost destroying hope; no class of business men realize such conditions more than they, for they hold intimate and peculiar relations with all classes and conditions of those whose pursuits create the commerce of the country. On the prosperity of their customers depends the success of the business of the banker, as his customers are made up of those who produce, manufacture, transport, exchange, develop and establish, and the condition of the business of each and all of these reacts upon that of the banker; hence, they are necessarily deeply interested in the general welfare of the country, and no class of men are more anxious to welcome the return of general prosperity throughout the land than those who are engaged in a legitimate, conservative banking business. Vaults plethoric with idle deposits have no charm for the banker; he can and does appreciate the fact that idle money is as useless as idle men—neither adds to the wealth or prosperity of the country, both are worthless drones in the hive of industry.

I recognize the fact that "returning prosperity" has not yet arrived; I know that it is on the way, and believe it is not so far off as some would have us think. This belief is warranted by the fact that under the blessing of God abundant crops are assured; our agricultural products are in demand by less favored peoples, and when the surplus grain of the West and cotton of the South shall begin to move to the coast on their way to supply the wants of other nations, we shall see the great cloud of depression begin to lift and let in the glorious sunshine of prosperity, which will warm into new life the enterprise of our great country.

THE PRESIDENT: We will now listen to the report of the Secretary, James R. Branch.

The report of the Secretary was read and, on motion, received and filed. The report is as follows:

SECRETARY'S REPORT.

American Bankers' Association. NEW YORK, August 10, 1897.

GENTLEMEN:—I have the honor to submit the following comparative report for the fiscal years of 1896 and 1897:

1896.

Cash balance membership account, Aug. 31, 1896		$3,618.75
Members joining from Sept. 1, 1895, to Sept. 1, 1896		590
Paid members Sept. 1, 1896		2,196
Annual membership dues paid for year ending Aug. 31, 1896.		$17,240.73

1897.

Cash balance membership account, Aug. 10, 1897	$9,255.23	
Drafts deposited for next year's dues subject to payment	37,920.00	$47,175.23
Members joining from Sept. 1, 1896, to Aug. 10, 1897		982
Paid members Aug. 10, 1897		2,818
Annual membership dues paid for year ending Sept. 1, 1896, to Aug. 10, 1897		$39,287.90

Being an increase of $22,047.17

The above figures would be larger but for the investment of $15,815.63 in Government bonds, of which $10,721.88 was charged to membership account, the balance of $5,093.75 coming from sale of $5,000 Lake Erie and Western five per cent. bonds. In addition to this $10,000 was transferred from membership to protective fund account.

There were 341 members lost on account of the new schedule of dues, which went into effect September 1, 1896; thirty members from failure and liquidation, making a total of 371 lost members.

This decreased the membership at the beginning of this fiscal year to 1,825. In many instances letters were written and circulars were sent from this office to all the banks, trust companies and private bankers in the country; and in some States the local officers of the association addressed all the banks in their respective territories. This resulted in a gain of 982 members, who joined between September 1, 1896, and August 10, 1897. This makes a net gain over last year's total membership of 617.

The roll now embraces—

National banks	1,458	Trust companies	132
State banks	756	Private bankers	225
Savings banks	247		
Total			2,818

With combined capital and surplus of	$994,607,758
And deposits of	3,178,832,140
Total	$4,173,439,898

This does not include the capital and deposits of 225 private bankers, who make no statements.

This progress is due to the harmonious labors of officers and members, the excellent work done by the Protective Committee, and the complimentary notices from the press throughout the country.

When the recent stagnation of business is considered, the growth of the Association is gratifying, and now that prosperity is returning it points to even a higher plane of practical usefulness. It is pleasant to note the endorsement of this Association's present policy at the conventions of the State Bankers' Associations; the local organizations are recognizing that this central Association is the complement to themselves and reaches into channels they cannot enter. Continued accord can only result in mutual benefits.

It is impossible to estimate what can be accomplished by the solidification and concentration of the vast interests and far-reaching influence of members of the different Bankers' Associations towards the suppression of crime, the promotion of the nation's credit and welfare, and to shape legislation which has for a guide—justice, equality, equity and right.

Very respectfully,

JAMES R. BRANCH, *Secretary.*

THE PRESIDENT: The annual report of the Treasurer will now be read by William H. Porter, of New York.

The report of the Treasurer was read, and, on motion, received and filed. The report is as follows:

TREASURER'S REPORT.

To the American Bankers' Association: NEW YORK, August, 1897.

Gentlemen—I have the honor to submit the following report of Receipts and Disbursements since the beginning of the current fiscal year, viz., September 1, 1896:

GENERAL OR MEMBERSHIP ACCOUNT.

Balance on hand, September 1, 1896	$3,618.75
Received interest due January 1, 1897, on $5,000 Lake Erie & Western Railroad Company second mortgage bonds	125.00
Received proceeds of sale of $5,000 Lake Erie & Western Railroad Company, second mortgage bonds, sold May 8, 1897, at 101⅞	5,093,75
Received interest August 1, 1897, on $14,000 United States five per cent. registered bonds	175.00

RECEIVED THROUGH SECRETARY'S OFFICE.

Annual dues paid by members from September 1, 1896, to August 10, 1897.

1 at $	5.40	$5.40	
215 "	5.00	1,075.00	
124 "	7.50	930.00	
1,005 "	10.00	10,050.00	
1 "	12.50	12.50	
998 "	15.00	14,970.00	
1 "	17.50	17.50	
240 "	20.00	4,800.00	
5 "	22.50	112.50	
217 "	30.00	6,510.00	
			$38,482.90

From members who paid dues in advance to September 1, 1897, as follows:

30 at $	10.00	$300.00	
21 "	15.00	315.00	
5 "	20.00	100.00	
3 "	30.00	90.00	
			$805.00

From A. G. Hodenpyl, Secretary of Trust Company Section, in payment for printing 1,000 Trust Company pamphlets,	$28.50
Proceeds of sale of Album	5.00
Proceeds of sale of rug	2.34
Drafts for membership dues for fiscal year, beginning September 1, 1897, deposited in the Chase National Bank, New York, subject to deduction of amounts of drafts that may be returned unpaid	$37,920.00
Total receipts	$86,256.24

PAYMENTS.

Disbursements as per accompanying vouchers	$23,365.38
Cost of $14,000 United States Government bonds, five per cent. of 1904, purchased May 5, 1897, for investment at 113 less 1-32	15,815.63
Balance on hand at close of business, August 10, 1897	$47,175.23

STANDING PROTECTIVE ACCOUNT.

Balance on hand, September 1, 1896		$7,446.64
Transferred to this account from General or Membership Account, as instructed by Resolution of the Executive Council, adopted September 24, 1896		10,000.00
Reimbursement, in part of amount expended in Peters' prosecution		144.73
Total		$17,591.37
Disbursements to August 1, 1897, as per accompanying vouchers		14,589.06
Balance on hand, August 1, 1897		$3,002.31
Bank balance as per pass-book	$5,647.07	
Checks outstanding	2,644.76	
Net balance	$3,002.31	
The Treasurer holds for the Association, as an investment, $14,000 par value United States Government bonds, five per cents of 1904, valued at		$15,890.00

(Signed) WM. H. PORTER, *Treasurer*.

AUDITING COMMITTEE REPORT.

DETROIT, MICH., August 16, 1897.

To the American Bankers' Association, Detroit, Michigan.

Gentlemen—The report of the Treasurer of the Association and the financial report of the Standing Protective Account have been examined by us and we find the report to agree with the Cash Book.

The total receipts as shown by the Cash Book being $86,256.24, and the vouchers of the disbursements amount to $23,265.38; also for $14,000 United States Government bonds, 5 per cents of 1904, purchased May 15, 1897, for investment, at $113 less 1-32, amounting to $15,815.63; leaving a balance as submitted at the close of business, August 10, 1897, of $47,175.23.

STANDING PROTECTIVE ACCOUNT.

We have examined the report of the Standing Protective Account, showing:

Balance on hand, September 1, 1896	$7,446.64
Reimbursements	10,144.73
Total	$17,591.37
Disbursements to August 1, 1897	14,589.06
Leaving balance on hand, August 1, 1897	$3,002.31

We have also examined the vouchers of the Protective Committee, and find that they agree with the above account.

(Signed) D. ANNAN,
B. V. LEIGH,
W. F. SMITH.

THE PRESIDENT: The report of the Protective Committee will be read now by the Vice-President of the Association, Joseph C. Hendrix, of New York.

The report was read as follows:

REPORT OF PROTECTIVE COMMITTEE—SEASON OF 1896–1897.

The Protective Committee begs to make the following report for the year ending with this convention:

Balance on hand, per Treasurer's report August 31, 1896	$7,446.64	
Appropriated by Executive Council	10,000.00	
Received refund February 23, 1897, expenses advanced	144.73	
		$17,591.37
Paid account expenses, 1895–1896	2,217.60	
Paid account expenses, 1896–1897	12,371.46	
		$14,589.06
Total receipts	17,591.37	
Total expenditures	14,589.06	
Balance on hand July 31, 1897		$3,002.31

The Protective Committee of this Association is composed of three bankers whose names are kept secret, and who act at the request of the Executive Council. The Committee is the agent of the Association, acting under Article IV. of the Constitution thereof, which provides:

ARTICLE IV.

SECTION 1. The Executive Council shall appoint a standing Protective Committee of three persons whose names shall not be made public. The said Committee shall control all actions looking to the detection, prosecution and punishment, of persons attempting to cause or causing loss by crime to any member of the Association.

SEC. 2. The said Committee, when called upon for aid by any member of the Association, through the Secretary, shall forthwith take such steps as it shall deem proper to arrest and prosecute the party charged with crime. Provided, however, that no expense or liability shall be incurred beyond the amount of funds in the treasury specially appropriated for that purpose.

SEC. 3. The said Committee is prohibited from compounding or compromising with parties charged with crime, or with their agents or attorneys.

SEC. 4. All detectives and legal expenses and costs shall be paid by the Treasurer upon approved orders of the Protective Committee out of such moneys in the treasury as may have been especially appropriated or collected by the Council for that purpose.

SEC. 5. All members of the Association, when called upon by the Secretary in behalf of the Protective Committee for information or aid, shall promptly respond by giving all assistance in their power; and all members shall, at all times, notify the Secretary, who shall promptly notify the Committee, of any attempted or accomplished crime reported to him as likely to affect other members of the Association.

The work of the Committee has continued practically along the lines as first laid out, and the past year has developed its increasing importance. Begun as an experiment, and considered by some members of doubtful utility, when the vast territory to be covered and the comparatively small amount to be expended were considered, it has grown into an organization of men and methods, information and influence, of great value to the bankers of the United States. The policy of the Committee has been to secure protection for the members of the American Bankers' Association by making it a well-known fact that when a member is attacked, or suffers loss through the operations of a professional criminal, the cause of one becomes the cause of all, and that the Association, acting through a secret committee that cannot be influenced, pursues the offender until he is punished, and spares no effort or expense to put him in prison; and, after he is behind the bars, sees that warrants for other offenses are issued and filed, and that protests against any pardon are entered. If the offender escapes from prison he is hunted, and in course of time is caught and returned to serve his sentence. The moral effect of a firm and implacable policy, backed by ample funds, conducted by incorruptible men acting in the interest of the Association, and executed by skilled detectives, is of untold value in protecting our membership. Great pains have been taken to inform every skilled burglar, forger and bank swindler, known to the public or private detective corps, just what an attack upon a member of the Association means. So deep rooted has the knowledge become that there is more certain risk than possible profit in operating upon banks which are members of the Association, that the Committee is in receipt from time to time of information as to proposed burglaries or other forms of depredation which have been abandoned on the discovery that the banks involved were members. The Committee has, accordingly, in one or two cases given banks information of their lack of adequate protection against attack.

The Committee takes pleasure in reporting:

1. That in the past year not a member of the Association has lost a dollar by burglary, and that no member of the Association has suffered loss through burglary since February, 1895.

2. That every professional operator who has defrauded a member of the Association in the past year by forgery, check-raising, or other device, has been arrested, and has either been prosecuted, is awaiting trial, or has been released in consideration of turning State's evidence.

3. That since the organization of the protective department in 1894, but one professional criminal has attacked a member of the Association and escaped arrest. In this instance the Committee stands ready to arrest the criminal as soon as the banks which are involved shall secure an indictment.

That the policy of the Association in respect to criminals who attack its members is well understood by these offenders, is shown by the fact that during the year thirty-nine banks which are not members were attacked by depredators who secured so far as reported over $42,000 in money. The only successful sneak theft committed during the year against a member was perpetrated on the Yonkers Savings Bank, of Yonkers, N. Y. The committee is informed that this attack was made on the supposition that the bank was not a member of the Association. It appears that the small metal sign reading "Member American Bankers' Association," was displayed under the ledge at the teller's window, and was not seen by the criminals when they made a survey of the premises. In this case the offenders were caught, and while one is awaiting trial, the other has begun to serve a sentence of eleven years in prison. The committee has repeated its request to members to keep their metal signs displayed.

Two bungling attempts have been made during the year to use electricity in opening safes, and the committee has followed up each case to measure the danger of an attack from a gang of burglars numbering among them some one with a knowledge of how to use an electric current. The subject of electricity as a burglar's weapon has received careful attention, and is still being investigated. Under special expert manipulation it is easy to make holes in a safe or vault door by a properly regulated current of electricity; but, as a practical menace from burglars who must rely upon a stolen current, this method of attack has not yet proved successful. Nevertheless, every banker is cautioned to study his own system of safe and vault protection in the light of the fact that burglars may resort to the use of the electric current whenever a gang can be organized with an expert electrician as a member.

The committee reports that in the three years of the operation of the protective work, the ablest criminals, men of great capacity in their work, have been cleared from the field, and that in the year just ended second-grade criminals and petty swindlers have occupied the attention of the detective agency. No notable swindle or forgery has been committed, and most of the cases have involved small amounts.

The Committee has sought to satisfy every reasonable claim upon it for assistance, but with the funds at its command it cannot depart from its rule to confine its pursuit and prosecution to professional bank criminals.

The committee begs leave here to re-state its rule, which is sent in printed form where assistance cannot be given :

RULE OF PROTECTIVE COMMITTEE.

The American Bankers' Association in deciding to become the aggressive agent of its members for the apprehension and prosecution of professional criminals, devolves the executive work upon a Protective Committee of three persons (whose names are not made public) which Committee has full power, when called upon for aid by any member, to take such steps as it shall deem proper to detect, arrest and prosecute the offenders. The Committee is limited in the expense it may incur to the amount of the funds in the treasury appropriated for protective purposes. The Constitution of the American Bankers' Association prohibits the Protective Committee from compromising or compounding with any parties charged with crime, or with their agents or attorneys. The policy of the Committee is to relentlessly pursue every professional bank criminal, and to this work it distinctly limits its undertakings.

The following rules govern the action of the Committee :

1. Upon receipt of notification by the President or Secretary of an attempted or successful perpetration of fraud upon a member of the Association, either by forgery, check-raising, robbery, or safe-breaking, which appears to be the work of professional criminals, accompanied by a full account of the offense, and, if possible, a description of the operators, the Committee will, if the case comes within the category of those of which the Association can take cognizance, at once undertake the apprehension of the criminals by means of the detective agency heretofore mentioned, and such other means as they may consider warranted. A case once committed to the Association, which results in the apprehension of the criminal, cannot be taken out of its hands, nor the offence condoned or compromised.

2. The Association cannot take cognizance of petty larcenies, thefts by employees, amateur forgeries, or frauds committed by others than what may be termed professional operators.

The Protective Committee can spend no money, undertake no detective work, employ no lawyers and pay no fees of any kind in cases of local swindles, amateur forgeries, or frauds or confidence tricks. The vigilance, alertness and energy of the officers of the banks must be relied upon in such cases.

The efforts of the Association are exclusively directed against professional thieves, forgers, burglars and swindlers.

Following is the

DETAILED FINANCIAL STATEMENT OF PROTECTIVE ACCOUNT, FROM CLOSE OF FISCAL YEAR AUGUST 31, 1896, TO AUGUST 1, 1897.

1896.			1896.	
To Cash— Paid to Pinkerton, expense incurred prior to Sept., 1896..	$2,217.60		By Cash— Balance on hand Sept. 1, 1896	$7,446.64
Paid to Pinkerton, services and expenses from August 31, 1896, to August 1, 1897	11,135.96	$13,353.56	By Cash— Appropriated by Executive Council	10,000.00
To Cash— Paid American Bank Note Company, printing 500 slips protective rule		3.50	By Cash— Refunded February 23, 1897, expense advanced...	144.73
To Cash— Salary and expenses of Clerk to Protective Committee		1,172.00		
To Cash Paid Stewart & Co., 500 aluminum plates		50.00		
To Cash— Petty cash		10.00		
Balance		3,002.31		
		$17,591.37		$17,597.37
			1897. August 1, balance	$ 3,002.31

Since September 1, 1896, the committee has been called upon to give attention to over three hundred cases of criminal operations in all parts of the United States, and it has received and acted upon over fourteen hundred reports, letters, etc., concerning these cases. The correspondence involved with officials, bankers and others, has been correspondingly large. Seventy-eight of the offenses were committed against members of the Association, but most of them were petty cases. Forty-three persons who operated against members were placed under arrest, and twenty-two of the number were convicted prior to August 1.

The committee regards the protective feature as having passed beyond the experimental stage, and by reason of its efficiency and utility now becomes a permanent part of the organization of the American Bankers' Association. It has served to attract to our Association a larger membership than it has ever known, and it must remain, as long as it is efficiently conducted, the standing reason why bankers should identify themselves with this organization. New criminals are developed every year, and new methods of attack against bankers are adopted. In spite of all of the ingenuity resorted to in the past, and all of the points which each bank tries to guard against, the resources of the criminal mind remain fertile. Burglary has ceased to be the most aggressive form of attack of the enemies of banks.

BURGLARY: During the past year not a member of the Association has been attacked by burglars.

ROBBERY: In one instance a successful sneak theft was perpetrated on a member of the Association. An attempt was made by a band of robbers to rob a member by holding up the officers, but the thieves were obliged to retreat leaving the funds of the bank intact. Two of the band were in custody prior to August. A contemplated sneak theft on a member of the Association was nipped in the bud through information furnished by the Protective Committee.

FORGERY AND FRAUD: Of two hundred and sixty-eight cases in this class submitted for the attention of the committee, seventy-three were cases affecting members. Forty-six arrests were made under this head of persons operating against members, and twenty-one convictions have resulted prior to August 1.

Forty-two general circulars have been sent to members of the Association together with forty-eight photographs and accompanying descriptions for insertion in the Album. The last issue of general information contained circular number seventy-two, which described the methods and gave samples of the hand-writing of two forgers who were operating successfully in various sections of the country. When arrested at Sedalia, Mo., they were identified from the circular.

Four special circulars issued during the year have resulted in two important captures — James T. Long and Charles F. Moore. Moore was the most extensive and dangerous operator in the field this year.

The Committee congratulates the Association upon the great results which have been achieved at so moderate a cost.

In 1894—1895, the expense of the Protective Department amounted to	$14,943.31
In 1895—1896, the expense reached	9,912.65
In 1896—1897, " " "	12,371.46
Total expense for three years	$37,227.42

The Secret Service Division of the Treasury Department of the United States, which wars chiefly upon counterfeiters, receives annual appropriations which range from $65,000 the lowest, to $75,000 the highest figure granted.

Since the organization of the Protective Bureau, in the fall of 1894, the following convictions have resulted from its efforts:

FORGERS.	SENTENCE.
Jos. L. English	12 years.
Charles Becker	Life.
James Cregan	"
Richard Lennox	2 years.
Richard Lennox	4 "
Robert A. Harvey	8 "
Harry Conway	2 "
Alonzo J. Whiteman	9 "
Louis T. Sieffert	5 "
W. W. Mattison	5 "
F. E. Wilson	5 "
Frank Woodward	6 "
Robert L. Wallace	6 "
Eugene Morgan	1 year, 1 month.
William G. Whaley	4 years.
John A. Gray	7 "
Max Steele	10 "
George H. Field	3 years, 6 months.
Edward W. Bailey	" "
Richard Norton	8 months.
Henry Des Maries	1 year.
Emilie Moses	1 year, 11 months.
J. H. Rockwell	6 "

FORGERS.	SENTENCE.
Henry Failing	11 years.
Charles Carleton	15 "
Timothy J. Hogan	5 "
Tiney Smith	8 "
Frank L. Seaver	Pending.
James B. Rodman	2 years.
Thomas P. Doyle	3 to 5 "
William F. Tushong	5 "
Daniel Benack	Died in prison.
Charles F. Moore	Indeterminate.
Frank Robinson	6 years, 8 months.
W. B. Peters	6 " 6 "
B. F. Cooper	1 year.
A. L. Foreman	Indeterminate.
Edward O'Rourke	"
Peter Moran	"
A. L. Alford	2 years.
James T. Long	Indeterminate.
James L. Carter	5 years.
Richard G. Monks	5 "
C. P. Robbins	2 "
John Miller	1 year, 11 months.

SNEAK THIEVES.	SENTENCE.
Patrick Flanagan	11 years.
Harry Russell	5 "
George Carson	5 "

SNEAK THIEVES.	SENTENCE.
Sidney Yennie	5 years.
William Mahar	2 years, 6 months.
Wallace O'Connor	Pending.

BURGLARS.	SENTENCE.
George Loomis	1 year.
Louis Girard	10 years.
Max Shinburn	4 years, 8 months.
John C. Reynolds	" 7 "
William Connors	5 years.

BURGLARS.	SENTENCE.
John O'Brien	3 years.
William Loughridge	5 "
Fred L. Jones	Pending.
J. J. McCarthy	10 years.

The circulars of information sent by the Protective Committee from time to time to members of the Association furnish a fund of information of practical value. By this means bankers are educated as to the methods of attack constantly cropping up among bank criminals and are better prepared to defend themselves against imposition.

The Committee begs to urge that bankers interest themselves in securing the proper safe-guarding of bank criminals who may be imprisoned in their vicinity. During the past season considerable expense has been caused for the Association by the escape from prison of forgers awaiting trial.

In conclusion the Committee begs to acknowledge with thanks the courtesy and co-operation of the officers of the American Bankers' Association, and of the various bankers throughout the country with whom they have been in special correspondence.

We append the report of the Pinkerton Detective Agency which is distributed among the members in printed form and will follow this report in the proceedings of the Convention.

Respectfully submitted,

PROTECTIVE COMMITTEE,
AMERICAN BANKERS' ASSOCIATION.

REPORT OF PINKERTON'S NATIONAL DETECTIVE AGENCY.

NEW YORK, July 29, 1897.

The American Bankers' Association,
20 Broad Street, New York, N. Y.

GENTLEMEN:

As the third year of the active prosecution by the American Bankers' Association of professional criminals who victimize its members draws to a close, we desire to offer our congratulations on the results.

We are more than ever convinced that expert professional criminals realize that to rob a member of the American Bankers' Association, whether by forgery, swindling, burglary or sneak theft, means to be persistently followed until arrested and punished. This your Detective Agents are always on the alert to impress on criminals.

We have furnished to your Protective Committee reports showing conclusively that the little aluminum sign

"MEMBER AMERICAN BANKERS' ASSOCIATION,"

is looked for and respected by the professional criminal, and that it has, at times, saved some of the members from burglary and robbery.

In evidence, we call your attention to the fact that since your last convention there has not been a single attempt to break open a safe of a member, although, since July, 1896, there have been eighteen successful bank safe burglaries and thirteen attempted bank burglaries.

Only one member has suffered by sneak theft. A participant in this crime, whom we arrested, stated that in making the preliminary examination of the bank, before attempting the robbery, he looked for the membership sign, and not finding it, concluded it was a safe bank to operate on. Our investigation after the robbery showed that the sign was partly concealed under the ledge of the teller's window.

Our reports of previous years show the breaking up by your Detective Agents of the more dangerous of the bands of expert professional forgers. The members of these bands not in States prisons are fugitives from justice in foreign countries.

The results gained by the persistent prosecution of these high-classed professional forgers have had a wholesome, and, we believe, a lasting effect. Within a year very little forgery work has been perpetrated on your members by this class of forgers.

A study of our report will show that most of the forgeries and swindles detailed are by individuals who worked alone, or by bands of new beginners in the forgery line who commenced their operations by defrauding hotels and merchants. Becoming emboldened by their success, they swindled a member of your association and were speedily brought to justice.

The most important professional forger convicted during the year was C. F. Moore, and he did not during that period swindle a member of your association, but had in 1894 and 1895, about the time your association adopted the protective feature. defrauded six members out of about five thousand dollars ($5,000). In 1896–1897 he discontinued his operations on banks and confined them to defrauding building and loan associations.

Investigation of the forgeries by Moore on building and loan associations led us to the conclusion that he was the forger who had in 1894 and 1895 swindled some of your members. Reporting this to your Protective Committee, we were authorized to cause his arrest, as we recognized in his work a skilled professional forger.

Accompanying this report will be found a list of convictions from September, 1896, to August 1, 1897, of criminals who have operated against banks; also a list of those under arrest, whose cases have not been disposed of.

Forgers convicted	28	
Forgers sentenced to		118 yrs., 2 mos.
Forgers sentenced to indeterminate terms	4	
Forgers sentenced to reformatory	6	
Burglars convicted	4	
Burglars sentenced to		18 yrs.
Sneak thieves convicted	1	
Sneak thieves sentenced to		11 yrs.
Total convictions	43	
Total sentences		147 yrs., 2 mos.
Average each		3 yrs., 4 mos.

The cases of five forgers, two sneak thieves and ten burglars and hold-up robbers are still pending.

As shown by our report, most of these convictions were from arrests made by us, or on information furnished by us.

Our records are so complete that when a professional criminal is arrested we can generally determine his identity and are able to give his record, resulting frequently in severer punishment than otherwise would have been imposed. This action on our part is having its effect on the professional criminal classes.

During the year, we have, at intervals, forwarded to your members. for their albums, forty-one general informations concerning forgers, burglars and sneak thieves.

Forty-eight photographs and descriptions of professional bank criminals, comprising twenty-two burglars, twenty-one forgers and five sneak thieves.

As the space for photographs and descriptions in the album is now filled, and there are many members who cannot be furnished with this useful volume, we have again to recommend that an additional album be provided. The usefulness of this album, we think, is very apparent. In a very large number of the cases we have been connected with, where a member was swindled, the criminals' pictures were in the album. In time, by keeping up this book, it will prove invaluable.

The cases of the noted professional forgers, Becker and Cregan, whose arrest and conviction we brought about, acting for your association, are still pending in the Supreme Court of California, and a decision is expected daily. It is to be hoped that the ruling of the lower court will be sustained.

The conviction of these men, though seemingly impossible and accomplished at considerable cost, has proved the most wholesome lesson your association could administer to professional forgers, striking, as it did, at the very head of this class of criminals.

We must, in a large measure, attribute our success to the earnest support of your Protective Committee, especially its chairman, who has been untiring in his efforts to bring about the results accomplished.

Following will be found in detail our report for the year:

FORGERIES.

The most prominent of the forgers whose arrest we caused during the past year was C. F. Moore (photograph 267 F), with many aliases. This man by his forgeries and swindling operations in a little over five years defrauded six banks (members A. B. A.); nine banks (not members); seventeen building and loan associations and individuals out of about fifteen thousand dollars ($15,000) with drafts purchased by him for small amounts and raised to larger amounts.

Our first knowledge of Moore was in November, 1894, when he made an unsuccessful attempt to defraud a bank at McKeesport, Pa. (member A.B.A.). Although we carefully investigated this and his subsequent swindles, we were unable, until recently, to trace him or obtain a clue to his identity. Latterly, he confined his operations almost exclusively to swindling building and loan associations. This led us to suggest to your Protective Committee the preparation by us of a confidential circular, describing Moore's manner of working, and giving his description, this circular to be sent to all building and loan associations in the States of New York, Pennsylvania, Ohio, Michigan, Indiana and Illinois, these being the States to which Moore had confined his swindling operations. The suggestion was approved by the Protective Committee and we issued the circular. One of these circulars was sent to the Chautauqua Building and Loan Association of Jamestown, N. Y. Several days after they received it (April 9, 1897), a man, introducing himself as H. J. Sanford, who answered the description of the swindler, called on this association, and discussed with them a proposed investment in their stock. An employé noticed the similarity in the prospective investor to the swindler and forger described in the circular. Chief of Police Johnston, of Jamestown, was called in and placed Moore under arrest, notifying us at once.

A representative, who was immediately sent to Jamestown, readily determined that Moore was the forger we had been in search of since his first attempt on the McKeesport member of your association. Moore made a full confession to our agent, acknowledging all the forgeries committed by him, from the first draft altered until he was arrested.

In his valise, which he had with him when arrested, was found a complete set of forgers' tools, among them being one check perforator, one check protector, two self-inking pads, one dating stamp, colored crayons, magnifying glass, three vials of erasing acids, and glass pencils for applying same, pens of various sizes and shapes; also fifty-five drafts, eighteen checks, twelve deposit books, nine certificates of deposit on various banks, fifteen certificates of building and loan association stock.

The bank drafts and checks were mostly for small amounts, and many of them bore evidence of the forger's failure to alter them to larger amounts, thereby destroying their usefulness.

On being advised of Moore's arrest and identity, we telegraphed to the members of your association who had been defrauded by him. The Hamilton National Bank of Fort Wayne, Ind., was the first to respond with the necessary requisition papers, and Moore was taken to Fort Wayne, where on May 14 he pleaded guilty, and was sentenced to the Indiana State prison, at Michigan City, for an indeterminate period of imprisonment of not less than two years, nor more than fourteen years. Indictments have been found, and warrants lodged with the Indiana State prison, so that when Moore completes the sentence he is now serving he will be detained and prosecuted for the other swindles he perpetrated on members of your association.

Following is a list of banks, members of your association, defrauded by Moore:

Sept. 14, 1894	Farmers' National Bank, Shelbyville, Ind.	$800
Nov. 27, 1894	National Bank of Lawrence Co., Newcastle, Pa.	1,200
Nov. 27, 1894	Second National Bank, Altoona, Pa.	1,200
Nov. 8, 1895	Hamilton National Bank, Fort Wayne, Ind.	800
Nov. 12, 1895	Nuttman & Co., Fort Wayne, Ind.	800
Dec. 1, 1895	Will County National Bank, Joliet, Ills.	280

The drafts, checks and deposit books found in Moore's valise represented an actual cash value of about seven hundred dollars ($700), four hundred dollars ($400) of which amount have been attached. We notified the above banks, so that they might, if desired, take legal action towards recovering the unattached portion of this money.

Moore's career of crime and success in disposing of fraudulent drafts was remarkable.

His home was in Cleveland, Ohio, where he was seemingly a prosperous and respectable business man. He resorted to forgery in order to obtain more money than he could make in his legitimate business, to keep up the style in which he was then living.

Moore had one previous conviction against him, in 1892, for participating in the theft of a watch from a jewelry store, for which crime, however, he was pardoned, after spending a short time in the Ohio State prison.

On December 3, 1896, the National Live Stock Bank of Chicago (member A. B. A.) reported to our office in that city, that on October 29, 1896, they paid a forged check for twelve hundred dollars ($1,200), payable to H. W. Burnett, purporting to have been signed by G. F. Swift, and endorsed "H. W. Burnett," underneath which was cleverly forged Mr. Swift's signature of identification. The forgeries of Mr. Swift's signatures were such clever imitations of his handwriting that the Paying Teller did not question their genuineness, and paid the money without noting the presenter's personal appearance, consequently had no recollection whatever of the man.

Our investigation at the bank shows that on the day before the forged check was presented, a forged order, purporting to be from Mr. Swift, and requesting that all cancelled checks, and also a statement of his account be given to the bearer, was offered at the bank, and that, on the strength of this, the checks were forthcoming These cancelled checks, with two exceptions, were returned to the bank; one for twelve dollars ($12), and the other for one hundred and eighty-one dollars ($181), and for them a receipt was attached to the returned cancelled checks. These two checks, which contained the words "twelve" and "hundred," we afterwards learned, were used as a guide by the forger in forging the twelve hundred dollars ($1,200) check.

Mr. Swift's handwriting being so perfectly imitated, our investigation was continued on the theory that a personal letter had been written to Mr. Swift for the purpose of obtaining his signature. This proved to be correct, for, on examining Mr. Swift's letter file, a letter was found, in handwriting similar to that of the forged order for the cancelled checks, and the receipt for the two checks not returned. This letter purported to be from a Mrs. Arnold, stating that she was a boarding-house keeper; that a young man boarding with her claimed to be a relative of Mr. Swift's; that he was in arrears with his board bill, and she wrote Mr. Swift to ascertain if her boarder's statement was correct. Mr. Swift replied to this inquiry in the negative, personally signing the reply.

Investigation at the address given by Mrs. Arnold showed that no such party resided there, but that a young man named Arthur Foreman, whom we knew to be a professional forger, and to be associated with a band of young men with criminal records, had lived there immediately before, and at the time the forgery was committed.

The aid of the Chicago Police Department was enlisted, when plans for arrest matured, and Foreman and his accomplices, Edward O'Rourke, Paul Moran and Chas. McCuen, were arrested. Foreman proved to be the actual forger and penman of the band, and O'Rourke the presenter of the twelve hundred dollar ($1200) check.

Foreman, O'Rourke and Moran were convicted and sentenced to the Pontiac, Ill., Penitentiary for indeterminate periods; McCuen was also convicted, but sentence suspended.

Foreman and O'Rourke made confessions of their criminal transactions, and acknowledged having realized about ten thousand dollars ($10,000) from their operations, many Chicago banks being among their victims. Among their effects we found two cancelled checks, which had been secured from the National Live Stock Bank upon the forged order of G. F. Swift.

Foreman's method of securing a signature which he intended to use for forgery was invariably similar to that used in this case. He would send to the proper person a letter requiring a direct answer, and in this way secure the signature which he intended to forge.

On October 10, 1896, your Protective Committee referred to us for investigation two forged drafts, received by them from the Third National Bank of New York, for eighty-five dollars ($85) each, which came from the Ypsilanti Savings Bank, Ypsilanti, Mich. (member A. B. A.), and from the Farmers and Mechanics' Bank, Ann Arbor, Mich.

Our attention was first called to the work of this band of swindlers, in June, 1896, by the Lincoln National Bank of New York (member A. B. A.) who had received bogus drafts through the exchanges. Numerous hotel-keepers in Ohio and Indiana had been defrauded with fraudulent drafts, purporting to be drawn by the Lincoln National Bank, Chicago, on the Lincoln National Bank, New York. These drafts were given by men who pretended to be travelling salesmen, and to have had the drafts mailed to them by the firms they apparently represented. Accompanying the drafts were alleged letters of advice.

During September and October, 1896, a great many similar drafts, purporting to be by the Third National Bank of Buffalo, on the Third National Bank of New York city (both members A. B. A.) were circulated in Michigan and New York. The swindlers also operated in New York State and city, with fraudulent drafts purporting to be issued by the Park National Bank of Cleveland, Ohio, on the Western National Bank of New York. These drafts were entire forgeries, not being at all similar to the drafts issued by the Cleveland bank.

Through correspondence, we obtained tracings of the handwriting and descriptions of the forgers, and had determined that the forgeries were the work of one W. B. Peters (photograph 252F) who, being a lithographer and printer, was a particularly dangerous forger to be at large. He was clever with both pen and brush, and thereby enabled to make excellent counterfeits of bank drafts. Investigation developed that Peters had associated with him Wm. H. Smith and W. H. Connor (photograph 251F), of Chicago, and Otto V. Thomas, of Brooklyn, N. Y.

On May 21, 1897, through your Protective Committee we received from the American Exchange National Bank, New York city (member A. B. A.), a fraudulent draft for $55 purporting to be by the First National Bank, Vicksburg, Miss., (member A. B. A.) on the American Exchange National Bank, which had been passed on a hotel-keeper at Mobile, Ala., by a young man using the name of C. C. Hennig, who pretended to be a travelling salesman of Vicksburg, Miss. On the same day we received two similar drafts from other New York banks, and since at about weekly intervals have heard of swindles by this party under various aliases in Alabama, North Carolina, Massachusetts and New Hampshire towns.

We recognized in these drafts the work of W. H. Smith, alias Kid Smith, alias Harry Raymond Rhodes, alias Geo. B. Williams, who was associated with the Peters–Thomas–Connor band of forgers and swindlers, and who was arrested at Susquehanna, Pa., on September 26, 1896, for swindling a hotel-keeper at Port Jervis, N. Y., and taken to the Orange county jail at Goshen, N. Y., from where he escaped on October 21, 1896.

On July 21, 1897, C. E. Greene and Lester Fagin were arrested at Sedalia, Mo., for attempting to defraud hotel-keepers. A representative of the People's Bank, Sedalia, Mo. (member A. B. A.) on hearing of the arrest called at the police station with our General Information No. 72 (for the A. B. A album), and on comparing handwriting and description identified Greene as the swindler who had been circulating the drafts referred to in that General Information. The People's Bank then notified your Protective Committee of this identification who directed a representative of our Kansas City office to go to Sedalia and also to Jefferson City, Mo., where one of the fraudulent drafts had been passed. Greene acknowledged to our agent his numerous swindling operations, and told of other swindles that had never been reported to us.

In Greene's possession, when arrested, were a number of blank drafts, numbered and signed, rubber dating stamps, a rubber stamp containing the words "To American Exchange National Bank, New York City," a typewritten list showing the names and locations of eleven hotels which he contemplated swindling, and other forgery paraphernalia.

Upon receipt of Greene's photograph we identified it as W. H. Smith, alias Kid Smith, etc., who escaped from the Orange county (New York) jail, and advised the Sedalia authorities of his record. He and his confederate, Fagin, are held at Sedalia, Mo., awaiting trial. We have also notified the Orange county, N. Y., authorities of Smith's arrest, and requested them to lodge a fugitive warrant with the Sedalia, Mo., authorities for his detention should he make an effort to secure bail.

On October 12, 1896, W. H. Connor was arrested at Bay City, Mich., for swindling the Citizens' Commercial & Savings Bank of Flint, Mich. He pleaded guilty on January 18, 1897, and was sentenced to one year in the Ionia House of Correction.

On November 2, 1896, at our request, and on information furnished by us, Otto V. Thomas was arrested in New York city by detectives from police headquarters. He was not prosecuted, as he made a full confession and was willing to testify against Peters, the principal and actual forger of the band.

On November 6, 1896, in Chicago, aided by the detectives of the police department of that city, we arrested W. B. Peters, the leader of this band, who was brought to New York, where on January 11, 1897, he pleaded guilty to forgery in the second degree, and on January 20 was sentenced to six years and six months in Sing Sing prison.

During their five months of swindling and forgery operations this band realized about ten thousand dollars ($10,000) in cash from banks and hotels.

On pages 7 and 8 of our report for 1895 we detailed the operations of Richard Lenox (photographs 7 F and 8 F), a member of the famous Becker-Bowman-Cregan band of professional forgers, whose identity was established on information furnished by us, and who was subsequently arrested at Vineland, N. J., taken to Milwaukee, Wis., convicted and sentenced to two years' imprisonment. By your direction, while his trial was pending, we caused warrants to be issued for Lenox, charging him with forgery on the Corn Exchange Bank of Sioux City, Ia., (member A. B. A.). These warrants we caused to be lodged against him in Milwaukee, and it was principally this action that led up to his pleading guilty.

On June 10, 1897, when his two years' sentence in Milwaukee expired, by your direction, we caused an officer from Sioux City to be at Milwaukee to take Lenox to Iowa, but through a technical error in the papers Lenox's attorney succeeded in having him released, and he disappeared.

Your Protective Committee directed us to spare no efforts to again locate Lenox, which we did at Atlantic City, N. J., and notified the Iowa authorities.

On July 3, 1897, accompanied by Sheriff Davenport of Sioux City, our representative caused Lenox's arrest by the Atlantic City Police Department. Lenox was at once taken to Sioux City, where he pleaded guilty and was sentenced to four years' imprisonment in the Iowa State Penitentary.

Frank L. Seaver (photograph 241 F), associated with Becker and Cregan in their extensive forgeries, is still confined in the county jail, San Francisco, held as a witness pending the decision of the Supreme Court in Becker and Cregan's cases.

Joseph McCluskey, alias "Little Joe," another important witness against Becker and Cregan, is in New York, and by your direction we are still keeping a lookout for him.

Daniel Benack, alias "Big Dan" (photograph 9 F), referred to on page 4 of our last annual report, also a member of the Becker-Bowman-Cregan band of forgers, who was in the Albany (N.Y.) jail awaiting trial for defrauding the National Commercial Bank of that city with a draft which had been raised from sixteen dollars ($16) to sixteen hundred dollars ($1,600), died in prison in December, 1896.

Robert Bowman, alias "Old Bob," the remaining member of this band, is a fugitive from justice, residing in England. We have warned the Scotland Yard Detective Department of his identity and location in London. Bowman is the only one remaining of this noted band of professional forgers who has not been punished for his crimes. We are constantly on the look out for his return.

Charles Fisher, professional forger and mail-box thief (photographs 13 F and 217 F), referred to in our report of 1895, on pages 11, 12 and 13, and our report of 1896, on page 5, who after his escape from jail in Cincinnati fled to Europe, and concerning whom we notified the Scotland Yard Detective Department, sending them his photograph and description, was arrested and convicted in London, Eng., for robbery and sentenced to prison for six months.

On our recommendation to your Protective Committee it has been arranged that the Cincinnati authorities extradite Fisher to Cincinnati, where he is indicted for forgery on the First National Bank (member A. B. A.) of that city.

Outside of the Becker-Cregan band of forgers, those working under Chas. Fisher were the most difficult for us to reach and break up.

During August, 1896, one of our representatives, who was in Danville, Va., learned that a number of fraudulent checks, signed Berge Bros., and drawn on the Hamilton Bank of Brooklyn, N. Y. (member A. B. A.), were being circulated by one Thos. C. Berge, who represented himself as a travelling salesman. We recognized this as the work of Thos. C. Berge, who had but recently been under arrest in Brooklyn, N. Y. A photograph of him, furnished by us, was identified by the parties who had been swindled by him.

On learning of his operations in Philadelphia, Washington, Baltimore, New York, Waterbury, Conn., and other points, we sent the police departments of those cities photographs and descriptions of Berge and such information as we had concerning him. This resulted in Berge's arrest in Philadelphia on September 22, 1896. He was taken to Baltimore, Md., for trial. On February 15, 1897, he pleaded guilty and was sentenced to two years in the Maryland penitentiary at Baltimore. Acting upon our suggestion the Washington, D. C., authorities had Berge indicted, and lodged a warrant with the warden of the Maryland penitentiary for him, so that upon his release, he will be taken to Washington to stand trial for the forgeries perpetrated in that city.

Thos. P. Doyle, alias T. H. Howard, the forger referred to on page 12 of our annual report for 1896, who in July, 1895, swindled a jeweler of Salem, Mass., and who, on June 13, 1896, was arrested by us in Philadelphia, after attempting to swindle the Delaware County Trust, Safe Deposit & Title Insurance Co., of Chester, Pa. (member A. B. A.), was sentenced on September 22, 1896, at Lawrence, Mass., to not more than five years and not less than three years in the Massachusetts State Prison.

Charles F. Esch (photograph 250F), referred to in our last annual report, on pages 6 and 7, who swindled members of your association in St. Paul and Minneapolis, escaped from the Eau Claire, Wis., jail on September 28, 1896, and is still at liberty.

During October, 1896, the First National Bank of Chicago (member A. B. A.), advised our Chicago office that a number of bogus drafts, purporting to be drawn on their bank, by the Chicago City Bank, were being circulated through Indiana, Illinois and Iowa, by a swindler who used the names of A. L. Somers, C. C. Craig, B. F. Davis, Jas. T. Long, etc. His mode of operating was to represent himself as a travelling salesman for a firm dealing in nursery stock. In this guise he visited clothing houses and general stores, after banking hours, made a purchase and tendered in payment one of the bogus drafts.

Your Protective Committee approved of our suggestion to issue a circular describing this swindler and his methods and giving cuts of his handwriting, and we sent five thousand (5,000) of these circulars to banks in the principal towns of Indiana, Illinois, Ohio, Michigan and Iowa.

The Henry County Savings Bank, Mt. Pleasant, Iowa, of which Mr. G. W. Spahr is President, received a copy of this circular. Mr. Spahr and his son also conduct a clothing store in Mt. Pleasant, so that when, on October 27, Jas. T. Long, representing himself as C. C. Craig, entered their store, and talked about the purchase of clothing, and offered in payment one of the bogus drafts, Mr. Spahr immediately recognized him as the man described in the circular, and caused his arrest.

Long was extradited to Decatur, Ills., and January 21, 1897, pleaded guilty, and was sentenced to an indeterminate term in the Chester, Ills., penitentiary.

His operations covered a period of about six months, and he obtained upwards of twenty-five hundred dollars ($2,500) from merchants of Lafayette, Ind., Decatur and Chicago, Ills., and the smaller towns of Iowa.

On November 3, 1896, a forged check for sixteen dollars ($16) was presented at the Third National Bank, Philadelphia, Pa. (member A. B. A.), the presenter claiming that it was given him by one J. H. Jenkins, in payment of a bill. Through our Philadelphia office, Jenkins was located and arrested, and on February 3, 1897, was convicted of forgery, and sentenced to two years and one month in the Eastern penitentiary at Philadelphia, Pa.

In the latter part of November, 1896, the banking house of Jipson, Carter & Co., Blissfield, Mich. (member A. B. A.) reported to your Protective Committee that on November 23, 1896, they had purchased a note for one hundred and forty dollars ($140) from one Louis Karschinick, alias Fred Steinley, which proved to be a forgery. The committee turned the matter over to us for investigation.

Through the efforts of our St. Paul office, Karschinick was arrested at Jackson, Minn., on January 12, 1897, and returned to Blissfield, Mich., where he was tried and convicted.

Owing to the respectability of his family, the Judge gave Karschinick the choice of paying the bank's claim, or going to prison for one year. The claim was paid, and sentence suspended.

During December, 1896, the American Exchange National Bank, of New York, (member A. B. A.) reported to your Protective Committee a fraudulent draft received by them, dated December 3, 1896, purporting to be drawn by the Kansas State Bank of Peabody, Kansas, on them, for five hundred dollars ($500), payable to W. H. Hayes, signed "S. S. Findly" and endorsed W. H. Hayes and F. C. Schroeder, W. L. S.

The matter was referred to us for investigation.

Our Kansas City office learned that F. C. Schroeder, of the Schroeder Commission Co., of that city, had advanced $860 upon the draft, that they then endorsed and deposited it with the New England Safe Deposit & Trust Co., of Kansas City, (member A. B. A.) and that the fraudulent draft had been received by them from John T. James, who was well known to them, and who claimed to have received it from W. H. Hayes, of Lincoln, Neb. In the meantime, James had disappeared.

Our investigations developed the fact that James had obtained from a printing office in Kansas City, samples of blank drafts, among them being the draft passed by him upon the Schroeder Commission Co., also, that he had purchased from a Rubber Stamp Co., in Kansas City, two stamps, one reading: "American Exchange National Bank of New York," the other reading: "To Chemical National Bank, New York."

On December 17, 1896, James was arrested in St. Louis, Mo., and returned to Kansas City for trial.

At the time of his arrest, he had in his possession, a number of blank drafts, and some rubber stamps bearing the names of New York banks.

James was held for trial, but meanwhile secured bail, and afterward disappeared, having forfeited his bond. He is still at large. We are endeavoring to cause his re-arrest.

James' photograph is No. 270F in the album of criminals, furnished your members.

During December, 1896, and January, 1897, the Girard National Bank of Philadelphia, Pa. (member A. B. A.) became so annoyed at receiving from eastern cities, fraudulent checks, usually for one hundred dollars ($100), drawn on them, purporting to be signed by the treasurer of a company, which the swindler claimed to be a travelling representative of, and with which the swindler was defrauding hotels, that they called the attention of your Protective Committee to the matter, and the committee requested us, if possible, to cause the swindler's arrest.

We knew, from investigations we had previously made, that this swindler was Jas. T. Watkins, who in 1893 was sentenced to one year's imprisonent in Auburn prison, N. Y., and also served one year's imprisonment at Williamsport, Pa., for forgery in both instances.

In January, 1897, we issued general information No. 61, describing Watkins, his method of operating, giving a reproduction of one of his bogus checks, and requesting your members to especially warn those of their depositors who were hotel-keepers, concerning Watkins.

On March 1, Watkins was arrested at Hartford, Conn., for attempting to swindle the Allyn House with one of these bogus checks for fifty dollars ($50). We at once notified the police departments of New York city, Philadelphia, Boston, Washington, D. C., Springfield, Mass., and Baltimore, Md., where Watkins had operated, and furnished the Hartford, Conn. authorities with his criminal record.

He was extradited to Springfield, Mass., where he pleaded guilty, and on May 14, 1897, was sentenced to four years in the Massachusetts State prison.

J. B. Rodman, alias Herrick, referred to on page 8 of our report for 1896, was at one time associated with Watkins. On December 15, 1896, Rodman was sentenced to two years in the Michigan City, Ind., penitentiary.

Another confederate of Watkins, identified by us as Jas. L. Carter, alias Lafland, who was arrested at Boone, Ia., on October 30, 1896, and taken to Sioux City, Ia., where he had passed several bogus checks, was on April 12, 1897, sentenced to five years in the Anamosa, Ia., penitentiary.

December 21, 1896, after obtaining from the First National Bank of Los Angeles, Cal. (member A. B. A.), five hundred dollars ($500) on a bogus draft, Alvin L.

Alford was arrested before he could leave Los Angeles, and the money recovered.

Our first knowledge of Alford's operations, early in December, 1896, was from the American Exchange National Bank of New York city (member A. B. A.), who received a draft, drawn on them by the Tradesmen's National Bank of Philadelphia, Pa.

By correspondence we had obtained Alford's description and tracings of his handwriting, and having established his identity, we traced him from Spokane. Wash., to Portland, Ore., Salt Lake City, Utah, Denver, Col., and San Francisco, Cal.

We identified him as having been arrested on September 10, 1894, for forgery, and sentenced to two years' imprisonment in the Illinois State Reformatory, from where he had been released on parole; also as having been concerned in some twenty-five other cases of forgery and aiding in the escape of fifteen or more prisoners from the jail at Beatrice, Neb.

His recent forgery operations had netted him about five thousand dollars ($5,000), and he had been successful through his obtaining from former acquaintances or friends of his family, identifications by endorsements on his bogus drafts, or introductions to banks.

By direction of your protective committee we arranged for a witness from the Tradesmen's National Bank of Philadelphia, Pa., to go to Los Angeles to testify that the signature of R. S. Hubbard on the draft with which he swindled the Los Angeles Bank was a forgery.

Alford was convicted and sentenced to two years' imprisonment in the California State prison, at San Quentin.

On account of this light sentence, with the approval of your Protective Committee, we caused his indictment for a check forgery at San Francisco, and a warrant for his detention is now in the hands of the warden of the San Quentin prison, with a view to prosecuting him further when his present term expires.

In December, 1896, there appeared at the Fourth Street National Bank, Philadelphia, Pa. (member A. B. A,), to all appearances an English tourist, who introduced himself as Dr. Henry W. Cooper. Cooper inquired of the bank officials as to the best method of transferring a large amount of money he had on deposit in a London, Eng., bank. Cooper was advised by the officials of the Fourth Street National Bank to draw two drafts to their order on the London bank. The following day he appeared with two drafts for 10,000 pounds sterling each. Before allowing Cooper to check against these drafts, it was learned they were fraudulent. On the matter being reported to us, we learned that in addition to this attempted swindle, Cooper had swindled merchants and others in New Jersey, and had fled to Canada, where we located him in Toronto, but as there was no complaint against him, all we could do was to issue an information to all members describing him and his methods and reproducing specimens of his handwriting. We also warned the Canadian police officials about him.

During December, 1896, and January, 1897, many eastern merchants were swindled by bogus checks and drafts for small amounts.

For these swindles, on December 19, 1896, two men were arrested in Providence, who, for the police of that city, we identified as forgers Lyman Gilbert, alias Lyman Leslie, and Wm. Ross, alias Rossiter. They were sent to New Haven, Conn., for a swindle perpetrated there, and were convicted and sentenced to five years each in the Connecticut State prison.

On December 4, 1896, Frank Slocum, alias Williams, one of this band of swindlers, was arrested in Boston, Mass. On January 12, 1897, he was convicted and sentenced to the Massachussetts State prison for not more than five years, and not less than four years.

In January, 1897, a man ordered from a printing establishment at Joilet, Ill., a quantity of letter-heads, checks, etc., for a well-known Chicago paper house.

The printers became suspicious that something was wrong, and on verifying this, by communicating with the Chicago firm, notified the Chicago police, who arranged that the material should be delivered to the man who gave the order.

On the arrival of this man in Chicago, with the material, he was arrested and taken to police headquarters. Later, his associate was arrested. Both men were identified by our Mr. Wm. A. Pinkerton, one as Geo. T. McDonnell, and the other as Edwin Noyes Hill.

McDonnell and Hill were members of the famous Bank of England forgery band, who had been sentenced to life imprisonment in England, but pardoned after serving twenty years.

This arrest undoubtedly frustrated an extensive swindling scheme.

On March 10, 1897, the National Layfayette Bank of Cincinnati, Ohio, (member A.B.A.) were offered by a New York note broker, a note for $1,387.74, purporting to be by a paper firm of Cincinnati. On account of this note being irregularly drawn and signed, it was discovered to be a forgery, whereupon your Protective Committee requested us to make an investigation.

We learned that the forged note was one of three notes given to a New York rope broker, in payment for a consignment of rope, valued at forty-seven hundred dollars ($4,700), which had been shipped to St. Louis, Mo., from there to Chicago, Ill, and disposed of for thirty-three hundred dollars ($3,300).

Our Chicago office identified Geo. T. McDonnell as the party who had received the rope in St. Louis and disposed of it in Chicago.

Upon learning that we had identified McDonnell as connected with this fraud, the swindlers made a settlement with the New York rope broker, whom they had victimized, and he refused to cause McDonnell's arrest when we located him.

McDonnell is at present residing in San Francisco.

On January 12, 1897, Chas. Fryer, under the name of Robert Habersham, deposited with the Fayette County Bank, of Somerville, Tenn. (member A. B. A.), a check for one thousand dollars ($1,000) drawn in his favor, purporting to be on the Denver National Bank, of Denver, Co..

He subsequently presented a check, signed by himself, on the Third National Bank of St. Louis, for fifty dollars ($50), requesting that it be cashed. This was refused, unless he was properly identified. Shortly afterwards he returned to the bank with the endorsement of a local minister known to the bank. It subsequently transpired that the check on the Denver National Bank was fraudulent, the minister's signature a forgery, and that Habersham had no account in the Third National Bank of St. Louis.

The Fayette County Bank discovered the fraud, and secured Fryer's arrest at Humboldt, Tenn.

We had been keeping track of this forger's operations during November and December, 1896, and January, 1897, and had traced him, using the names of Chas. Fryer, Chas. Hinton, Robt. Habersham, Chas. Thompson, etc., through Oregon, Washington, California, Colorado and Nebraska, in which States he swindled a number of banks, not members of your association, with checks having on them the forged identification signatures of local ministers.

Immediately on learning of Fryer's arrest for the Fayette County Bank swindle, we notified that bank fully of his previous operations, which doubtless aided, upon his conviction, in his being given a sentence, on January 21, 1897, of ten years' imprisonment in the Tennessee State prison.

On January 28, 1897, James Higgins was arrested in New York city for attempting to pass upon the Lincoln National Bank of that city (member A. B. A.) a check which had been raised from twenty-five dollars ($25) to seventy-five dollars ($75), and which was signed by a depositor of the bank. The check had been enclosed in a letter and mailed, from which it was alleged to have been stolen. We identified Higgins as James Hogan (photograph 269F), a brother of the noted mail-box thief and forger, Timothy J. Hogan (photograph 224F), referred to on page 5 of our report for 1896, and who on January 4, 1897, escaped from the New York County penitentiary, Blackwell's Island.

At his trial James Hogan was given "the benefit of the doubt," and acquitted.

On February 23, 1897, the Columbia Bank of New York city (member A. B. A.) reported to your Protective Committee that on February 20 a man called at their bank and introduced himself as J. H. Williams, a physician, stating that he had recently moved from Brooklyn, and wished to open an account, at the same time tendering a check for $8,761.21, drawn on the National City Bank of Brooklyn, N. Y., to the order of the Columbia Bank. When asked for reference, Williams referred them to the National City Bank of Brooklyn, whereupon they accepted the deposit and gave him a check-book.

On February 23, "Dr. Williams" reappeared at the Columbia Bank and talked with the Cashier of desiring to engage a box in the safe deposit vaults. He was introduced to the American Savings Bank in the same building, from whom he engaged the desired box. While passing from the Columbia Bank to the safe deposit vaults, on "Dr. Williams'" suggestion, the Cashier introduced Williams to the paying teller.

From February 20, Saturday, there intervened Sunday, February 21, and Monday, February 22, a holiday, so that when Williams returned to the bank, after having engaged a safe deposit box, and presented his check for five hundred and eighty dollars ($580), drawn to the order of "Currency," the paying teller noting that three days had elapsed from the time of the opening of the account, immediately paid over the money, but subsequently, by telephoning the National City Bank, it developed that Williams had no account there and was unknown to them. The matter was referred to us for investigation by your Protective Committee. On showing a number of photographs of professional forgers and swindlers to the officials of the bank who had come in contact with Williams, they without hesitation, and separately, picked out as the swindler the photograph of Alonzo J. Whiteman, whose photographs are Nos. 49 F and 249 F in the American Bankers' Assotion album of criminals. One of our representatives, who was on business at Lakewood, N. J., saw Whiteman there on the evening of February 20, all day February 21, all day February 22, and noticed him leave early on the morning of February 23. We traced Whiteman to Dansville, N. Y., and while keeping him under surveillance there, pending his indictment and the issuing of the warrant for his arrest, he started for New York and was arrested on his arrival on the morning of March 6, 1897, by a Central Office detective and our representative. At the time of his arrest a blank check of the National City Bank of Brooklyn was found in his baggage.

On Whiteman's trial for this forgery, he was identified by three officials of the Columbia Bank as being the man who represented himself as Dr. Williams. He was also identified by our representative who was at Lakewood and several reputable witnesses from that place as having been there on February 20, 21, 22, and morning of the 23, but notwithstanding this a number of witnesses from Dansville, N. Y., testified that Whiteman was seen on the streets of that city on February 23 at the time it was alleged he passed the check upon the Columbia Bank. The jury acquitted Whiteman, on account of the conflicting evidence.

During March, 1897, the authorities of Joliet, Ill., informed our Chicago office that a man giving the name of Joe Hubbard, who had swindled merchants of Joliet and Geneva with bogus checks for small amounts, was under arrest at Geneva. We immediately identified the man as Jos. H. Wallraff, a forger who had recently been released from the San Quentin, Cal., penitentiary, and so notified the Geneva and Joliet authorities. We also notified the St. Paul authorities, so that they could lodge papers against him at Geneva for forgeries committed in St. Paul.

On March 18, a man giving the name of Louis B. Carson was arrested at Carlinville, Ills., for attempting to swindle the Carlinville National Bank (member A. B. A.) by means of a forged letter of credit. Our Chicago agency communicated with the bank, and from a description furnished, identified the swindler as Frank Cunningham, an ex-convict, who had served a term in the Montana penitentiary, and who had in December last received a short jail sentence in Bloomington. Ills., for attempting to obtain money by means of false telegrams. When confronted with his photograph and record furnished by us, Cunningham admitted his identity.

On June 17, he was sentenced to the Chester, Ills., penitentiary for an indeterminate period. He must remain there at least one year.

Cunningham is also under indictment at Carmi, Ills., for similar work.

On March 24, 1897, A. S. Whitman victimized Farley's Bank, Marquette, Neb. (member A. B. A.) by means of a fraudulent check for three hundred dollars ($300) drawn on the Lincoln National Bank, of Chicago, Ills.

On June 21, Whitman was arrested at Crawfordsville, Ind. We at once notified Farley's Bank of the arrest, and Whitman was finally returned to Nebraska, where he is now awaiting trial.

During January, 1895, Daly & Mackey, Madison, S. D. (member A. B. A.) were swindled by Wm. Saltzgaber with small notes containing forged signatures. After obtaining the money, Saltzgaber decamped.

For your Protective Committee, we caused Saltzgaber's arrest at Albion, Ind., on December 7, 1896, at which time he was returned to Madison, S. D., for trial. On March 26, 1897, Saltzgaber was sentenced to ninety days in the county jail.

In April last, our Chicago office received from Memphis, Tenn., the photograph of a forger who had been arrested there for passing bogus checks, and who gave his name as J. A. Thurman. We identified the photograph as that of a man who was arrested in Chicago in December last, and who escaped from the county jail, and we so notified the Memphis authorities. Shortly after, however, Thurman escaped from the Memphis jail and is still at large.

Early in June, 1897, your Protective Committee informed us that the Central Savings Bank, St. Joseph, Mo., (member A. B. A.) had been victimized on the strength of a forged check for one hundred and seventy-five dollars, ($175) which had been presented to them by one J. M. Barton.

June 21, 1897, receiving information that Barton was in Cincinnati, Ohio, our representative, who was there on other business for your association, called on the police authorities, and arranged with them to cause Barton's arrest.

This was accomplished on June 30, 1897, and Barton was taken to St. Joseph, Mo., where he is now in jail awaiting trial.

Early in June, 1897, we were requested by your Protective Committee to locate and cause the arrest of R. L. Sage, who in May, 1897, with bogus check and in the sum of $105.83, had defrauded the Kahoka Savings Bank, Kahoka, Mo. (member A. B. A.), and was reported to be then in New York.

On June 10, 1897, we located Sage, and with the assistance of the New York police he was arrested on June 13 and turned over to the Sheriff of Clark county, Mo., where he is now awaiting trial.

C. W. F. Heaton (photograph 268 F) was identified by us for the Carrollton, Mo., authorities, at which place, on June 15, 1897, he was arrested for store burglary and held for trial.

On June 22, 1897, our Chicago agency was notified by the First National Bank of Chicago (member A. B. A.) that a number of bogus checks on their bank had been passed on a number of business firms in that city. The forger, who proved to be one Harry R. Donaldson, was arrested through our efforts, admitted his guilt, and is now awaiting trial.

William F. Tushong, who obtained from the Fort Worth National Bank (member A. B. A.) twelve hundred dollars ($1,200) on a forged check, and who is referred to on page 10 of our last annual report, was sentenced to five years' imprisonment in the Texas State prison.

Robt. L. McAllister, who swindled the bank of Reidsville, Reidsville, N. C., (member A. B. A.), and who is referred to on page 9 of our report for 1896, was arrested through our efforts, at Shreveport, La., and returned to Reidsville for trial. He was afterwards released on bail, and when called for trial did not appear, thereby forfeiting his bond and becoming a fugitive from justice. He is still at large.

Sneak Thefts.

The Yonkers Savings Bank, of Yonkers, N. Y., is the only member of the American Bankers' Association robbed by sneak thieves during the past year, and according to one of the thieves concerned in it, this robbery would not have occurred had the sign "Member American Bankers' Association" been visible. On April 12, 1897, about noon, when all the employees of the bank, excepting the Cashier, were absent for dinner, a young man entered and said to the Cashier that he expected to meet a friend there, and by conversing about some prospective investments he drew the Cashier away from his desk, and held him in conversation for several minutes. After the stranger departed, as the Cashier passed a table standing near the money drawer, he noticed a dark object lying underneath, and thinking it was a dog, kicked at it. As he did so, a man jumped from under the table, leveled a revolver at the Cashier, and warned him not to approach. At the same time he backed out of the bank, covering his face with the bills he had taken from the money drawer, and succeeded in making his escape, the Cashier being too dazed to give an alarm.

By direction of your Protective Committee, six hours after the robbery occurred, we had a representative on the ground and our investigations showed the man who held the Cashier in conversation to be Wallie Connors (photograph 74 S) and the man who committed the theft to be Patsey Flannigan (photograph 286 S), and that they were assisted by Chas. Cummiskey (photographs 77 S and 284 S).

On May 13, 1897, at our request, Wallie Connors was arrested in New York city by Acting Inspector O'Brien's detectives, and on the day following, May 14, 1897, we arrested Patsey Flannigan at Elyria, Ohio, and brought him to New York.

On June 22 Flannigan was tried and convicted, and on July 2 was sentenced to eleven years in Sing Sing, N. Y., prison.

Connors' trial has been adjourned until the September term of court, when, doubtless, he will be convicted and sentenced to a longer term than Flannigan received, as Connors was the leader and the case against him is stronger than against Flannigan.

Wallie Connors has been operating for years with the best bank sneak thieves in the United States, such as Joe Killoran (photograph 72 S), Charles Allen (80 S), George Carson (234 S), Sidney Yennie (235 S), Harry Russell (110 S), and other well-known bank sneak thieves. Flannigan, although but a young man, has operated with the principal bank sneak thief bands of the country, and was considered among the most daring of the bank sneaks.

After Connors' arrest it developed that he and another man, undoubtedly Chas. Cummiskey, in the fall of 1896 robbed Anthony Fisher, an Italian banker of Yonkers, of three hundred dollars ($300). On our suggestion Connors was also indicted for this sneak theft.

A photograph of Connors, taken since his arrest, was sent by us to Concord, N. H., where it was identified as one of the men who on June 3, 1895, robbed the State Treasurer's office of that city of thirteen hundred dollars ($1,300) and three State of New Hampshire bonds valued at two thousand dollars ($2,000).

On January 11, 1897, about 10:30 A. M., a depositor who was in the Broadway Bank (member A. B. A.) Brooklyn, N. Y., while in the line to make a deposit of three hundred dollars, had his attention attracted by a man behind him to a bill on the floor, the stranger stating that the depositor had dropped the bill. While looking for the bill, the stranger snatched the three hundred dollars ($300) out of the depositors' hand and fled from the bank, but was arrested and the money recovered. One of our representatives who went to Brooklyn to see the prisoner identified him as Chas. Cummiskey, alias "Cruse" Cummiskey, an expert bank sneak thief (photographs 77 S and 284 S). In March, 1897, Cummiskey, alias Reilly, was released on four thousand dollars ($4,000) bail, and when his case was called for trial he failed to appear and his bond was declared forfeited. Subsequently we found that the bond was what is known as a "straw bond" and worthless.

Cummiskey is now a fugitive from justice. We have, by direction of your Protective Committee, obtained a warrant for his arrest, and will in time, have him brought to justice on this charge.

Cummiskey was the third man with Wallie Connors and Patsey Flannigan in the robbery of the Yonkers Savings Bank.

About 9 A.M., May 29, 1897, a package of currency amounting to thirteen thousand six hundred dollars ($13,600) disappeared from the National German-American Bank, St. Paul (member A. B. A.). Our St. Paul office was called in and settled upon the assistant receiving teller, Chas. Zschau, as probably being the thief, and on being arrested, Zschau confessed to our St. Paul superintendent his connection with the robbery. As a result we recovered seven thousand six hundred dollars ($7,600) of the money which had been hidden by Zschau's brother Lewis, and we also learned that five thousand seven hundred dollars ($5,700) more of the money had been deposited in the First National Bank of St. Paul by an associate of Chas. Zschau. It was subsequently shown, upon investigation, that Zschau had been tampering with the books of the bank, and was short in his accounts. A true bill of indictment was found against Chas. and Lewis Zschau and the associate referred to. On June 29, 1897, Chas. Zschau was sentenced at St. Paul to eight years' imprisonment at hard labor in the Minnesota penitentiary at Stillwater. Lewis Zschau is in jail awaiting trial and the associate was discharged from custody, the evidence being insufficient to convict him.

During January, 1897, we received private information from a reliable source, that an employee of one of the New York city banks, was associating with a well-known professional bank sneak thief; that this employee had explained to the sneak thief the entire surroundings of the bank, and showed how easy it would be to enter the bank at noon, when part of the employees were at lunch, and secure a large sum of money. We investigated this matter thoroughly and verified the informant's statements. Subsequently, the young man was interviewed and acknowledged having associated with this thief. These facts were communicated to the bank in question and they promptly discharged the employee.

Through this information, undoubtedly a serious sneak robbery was prevented. The particulars in detail were reported at the time to your Protective Committee.

On April 1, we were notified by the Washington, D. C., police authorities that a satchel containing $1,682.86, belonging to the Metropolitan Electric Railroad Company of that city, had been stolen by sneak thieves. This money had just been drawn from the bank and was in the custody of an employee, who, while at lunch, left it with the cashier of the restaurant. From the description of, and method used by the thief, we concluded that it was the work of Johnny Price, an expert professional bank sneak thief (photographs 76S and 288S), whose photograph was sent by us to the Washington police authorities for identification, and was positively identified by the parties who saw the thief take the satchel from the restaurant. At our suggestion the Washington authorities communicated with Acting Inspector O'Brien of the New York Police Department, with whom we also communicated, and Price was arrested in New York city by Central Office detectives and is held in default of bail for this robbery, awaiting warrant of removal to Washington, D. C. Price is one of the most skillful bank sneak thieves in this country.

BURGLARIES.

During December, 1896, we received information from a reliable source that in October of the same year, in the interest of four professional bank burglars, one of their number visited a bank in Ohio, and examined it, with a view to burglarizing it, and in doing so discovered your sign, "Member American Bankers' Association" hanging near the vault. He reported this to his associates, and it was concluded not to attack the bank. The parties who contemplated this burglary were:

Chas. Proctor (photograph 174B) now under arrest at Springfield, Ill., charged with having burglars' tools in his possession, and who was identified by us for the Springfield authorities.

Thomas Murray, alias "Buck" Murray (photograph 208B), now under arrest at Ottumwa, Ia., for the Bradley's Bank, Eldon, Ia., burglary, whom we identified, on his arrest in Burlington, Vt., and whose extradition we caused, mentioned again in our reference to the Eldon Bank burglary.

Joseph Reilly, alias "Hob-nailed" Reilly (photograph 285S), now serving a sentence in the Eastern Penitentiary at Philadelphia, Pa.

A well known Chicago criminal named James Considine.

Of the thirty-one burglaries and attempted burglaries on banks, not members of the American Bankers' Association, we were called upon to investigate those of: Bradley's Bank, Eldon, Iowa; Bank of Dawson, Dawson, Neb.; Bank of Ohiowa, Ohiowa, Neb.; Oneida State Bank, Oneida, Ill.

On the night of February 1, 1897, Bradley's Bank at Eldon, Iowa (not member A. B. A.), was entered and burglarized, the burglars securing six thousand nine hundred dollars ($6,900). Investigation by us showed that the burglary was planned by one Richard Dodd, a gambler of Ottumwa, Ia., Don Cameron, a Chicago gambler, and friend of Dodd, and Jesse Hamilton, a Chicago saloon keeper, and that they arranged with Thomas, alias "Buck" Murray (photograph 208B), Sam Ritchie and Joe Menard, professional burglars, to go to Eldon and commit the burglary. It further developed in our investigation, that Chas. Stevens, the City Marshal of Eldon, was cognizant of this arrangement, and was to receive his share of the proceeds, for allowing the burglary to take place. Dodd and Stevens, when confronted with the evidence secured by our representatives, made full confessions, implicating the others. Jesse Hamilton was arrested in Chicago, extradited to Iowa, tried, convicted, and on June 9, 1897, sentenced to eighteen months' imprisonment in the Iowa Penitentiary.

On May 20, our Boston office noted in the press despatches the arrest of four persons at Burlington, Vt., for picking pockets, and as one of the prisoners answered Murray's description, our Superintendent sent Murray's photograph to the Burlington Chief of Police, who at once recognized it as that of one of the men he had under arrest. Thereupon, we notified the Ottumwa, Ia., authorities, and Murray was eventually extradited to Iowa, and with Dodd and Stevens will be tried during the fall term of the court.

On March 29, 1897, the State Bank of Oneida, Ills. (not member A. B. A.) was burglarized, and the sum of three thousand and sixty-eight dollars ($3,068) secured.

While engaged upon an investigation of this burglary, we learned that two men—Wm. Powers and Jos. Riley—had been arrested at East St. Louis, Ills., and photographs of these men were secured, shown at Oneida, Ills., and identified as two of the men seen in the vicinity of the bank before the burglary. We identified both men as burglars—Riley as James Roach, a well-known Chicago burglar; Powers as "Kentucky Slim," a well-known southern burglar. Both men were taken to Galesburg, Ills., where they have been indicted, and are held for trial.

We have ascertained the identity of the third man in this burglary, but there is not sufficient proof to warrant his arrest.

On May 29, 1897, the Bank of Ohiowa, Ohiowa, Neb. (not member A. B. A.) was burglarized, and eight hundred and sixty-one dollars ($861) stolen.

Upon investigation, we ascertained that the parties concerned in the burglary were Thomas Wilson, alias "Frenchy," and Geo. L. Rigley, alias Joe Bush, whose arrest was subsequently effected at Lincoln, Neb., and who have been identified as concerned in this burglary; also in the burglary of the Bank of Shelby, Shelby, Neb., on September 7, 1896, when three thousand one hundred dollars ($3,100) was secured. Rigley was also identified by our Kansas City, Mo., office as being an escaped convict from the Anamosa, Ia., penitentiary. They have been taken to Shelby for trial. If acquitted there, they will be taken to Ohiowa for trial, for the burglary of the Bank of Ohiowa.

Early on the morning of December 22, 1896, two men entered the Bank of Caledonia (not member A. B. A.), Caledonia, N. D., burglarized the safe, and secured over three thousand dollars ($3,000). One of the burglars was shot and killed, while escaping, and the other was arrested at Fargo, N. D.

Our St. Paul office identified the dead burglar as Chas. Mitchell, alias Maxfield; and the other burglar as Edward Campbell, alias Cole Campbell, alias Cole, was tried, convicted, and sentenced on April 14, 1897, to ten years in the North Dakota penitentiary at Bismarck.

On page 11 of our report for 1896, we describe the attempted burglary of the First National Bank of Los Angeles, Cal., the only member of your association attacked by burglars during 1896.

For this burglary Fred L. Jones (photograph 254B), the leader, was arrested at Spokane, Wash,, on August 27, 1896. He made a full confession to the Los Angeles, Cal., police, and was willing to testify against his confederates.

On September 9, 1896, J. J. McCarthy, alias J. F. McCarthy (photograph 255B), was arrested at San Francisco, Cal., and on December 24, 1896, was sentenced to ten years' imprisonment in the California penitentiary at San Quentin. Jones is still awaiting trial.

The other men concerned in this robbery have not been apprehended.

On March 11, 1897, we received from the police authorities of Baltimore, Md., the photograph of a man giving the name of Geo. Williams, alias Nace Hill, alias Geo. Hunter, and immediately identified it as that of Thomas Manion, alias Geo. Anderson (photograph 195B and 262B), who with his brother Edward Manion (photograph 194B) was arrested at Cleveland, Ohio, in April, 1894, for robbing a jewelry store of diamonds valued at $150,000, convicted and sentenced to seven years' imprisonment, but managed to escape before being taken to prison. We notified the Baltimore and Cleveland authorities as to this man's identity. He was taken to the Ohio penitentiary to serve his sentence.

On May 27, 1897, there were arrested at Providence, R. I., Wm. Smith, Harry Miller, John Gilchrist, James Morrissey and Jas. Sheridan, safe burglars. On receipt of the photographs of these men we identified Wm. Smith as Wm. Smith, alias Wm. Connolly, alias Rogers (photograph 277B), and Harry Miller as Joseph Rapley, alias Eddie Desmond, a noted post-office burglar. We furnished the records of these men to the Providence Police Department, showing that Smith, alias Connolly, alias Rogers, was wanted for burglary in Washington, D. C.; but as the principal witness in the case was dead there was no probability of convicting him. We sent the photographs of John Gilchrist, Harry Miller, alias Eddie Desmond, and James Morrissey to Albany, and succeeded in having them identified for burglarizing, on March 11, 1897, the safe of a railroad depot at Central Bridge, N. Y., also for burglarizing the safe of the Albany Railway Co. at Albany, N. Y., on February 22, 1897, in which operation twenty-five hundred dollars ($2,500) were secured. These three men were extradited to Albany, N. Y., where they are now being held awaiting trial.

Yours very respectfully,
Pinkerton's National Detective Agency,
By Wm. A. Pinkerton.
Robt. A. Pinkerton.

FORGERS CONVICTED,

September, 1896, to August 1, 1897.

Name.	*Criminal occupation.*	*Crime.*	*Sentence.*	*Place.*
W. B. Peters	Forger	Forgery	6 yrs.	New York.
W. H. Connors	Forger	Forgery	1 yr.	Ionia, Mich.
C. F. Moore	Forger	Forgery	14 yrs.	Michigan City, Ind.
Alvin L. Alford	Forger	Forgery	2 yrs.	San Quentin, Cal.
Chas. Fryer	Forger	Forgery	10 yrs.	Nashville, Tenn.
J. H. Jenkins	Forger	Forgery	2 yrs. 1 mo.	Eastern penitentiary, Philadelphia.
James E. Davis	Forger	Forgery	2 yrs.	Joliet, Ills., penitentiary.
Charles Gurney	Forger	Forgery	2 yrs.	Joliet, Ills., penitentiary.
Richard Lenox	Forger	Forgery	4 yrs.	Anamosa, Iowa, penitentiary.
J. B. Rodman	Forger	Forgery	2 yrs.	Michigan City, Ind., penitentiary.
James T. Watkins	Forger	Forgery	4 yrs.	Charlestown, Mass., State prison.
James L. Carter	Forger	Forgery	5 yrs.	Anamosa, Iowa, penitentiary.
Frank Slocum	Forger	Forgery	4 yrs.	Charlestown, Mass., State prison.
Lyman Leslie	Forger	Forgery	5 yrs.	Weathersfield, Conn., State prison.
William Rossiter	Forger	Forgery	5 yrs.	Weathersfield, Conn., State prison.
W. L. Tushong	Forger	Forgery	5 yrs.	Texas State prison.
Thomas P. Doyle	Forger	Forgery	4 yrs.	Charlestown, Mass., State prison.
Thos. C. Berge	Forger	Forgery	2 yrs.	Baltimore, Md., penitentiary.
William Salzgaber	Forger	Forgery	3 mos.	Lake County, So. Da., jail.
C. P. Robbins	Forger	Forgery	2 yrs.	Stillwater, Minn.
Eugene F. Parker	Forger	Forgery	9 yrs.	Charlestown, Mass.
William A. Miller	Forger	Forgery	1 yr.	Massachu'ts reformatory, Concord.
Frank R. Robinson	Forger	Forgery	6 yrs. 8 mos.	Sing Sing, New York.
John L. Young	Forger	Forgery	1 yr. 6 mos.	Western peniten'ry, Allegheny, Pa.
P. H. Bradley	Forger	Forgery	2 yrs. 8 mos.	Western peniten'ry, Allegheny, Pa.
H. F. Powell	Forger	Forgery	1 yr.	Joliet, Ills., penitentiary.
Richard G. Monk	Forger	Forgery	5 yrs.	Ionia (Mich.) house of correction.
C. M. Bryant (escaped)	Forger	Forgery	10 yrs.	Virginia penitentiary.
Total			118 yrs. 2 mos.	

FORGERS CONVICTED AND SENTENCED TO INDETERMINATE PERIODS.

NAME.	*Criminal occupation.*	*Crime.*	*Sentence.*	*Place.*
John T. Long	Forger	Forgery	Indeterminate	Chester, Ills., penitentiary.
Frank Cunningham	Forger	Forgery	Indeterminate	Chester, Ills., penitentiary.
Edward Millner	Forger	Forgery	Indeterminate	Joliet, Ills., penitentiary.
W. E. McDonald	Forger	Forgery	Indeterminate	Chester, Ills., penitentiary.
A. L. Foreman	Forger	Forgery	Indeterminate	Reformatory, Pontiac, Ills.
Edward O'Rorke	Forger	Forgery	Indeterminate	Reformatory, Pontiac, Ills.
Paul Moran	Forger	Forgery	Indeterminate	Reformatory, Pontiac, Ills.
John P. Ogle	Forger	Forgery	Indeterminate	Penn. industrial reform'y.
Louis Roberts	Forger	Forgery	Indeterminate	Minn. State refor., St. Cloud.
William C. Spencer	Forger	Forgery	Indeterminate	Minn. State refor., St. Cloud.

FORGERS' TRIALS PENDING.

NAME.	*Criminal occupation.*	*Crime.*	*Place.*
J. M. Barton	Forger	Forgery	St. Joseph, Mo.
R. L. Sage	Forger	Forgery	Kahoka, Mo.
Harry Donaldson	Forger	Forgery	Chicago, Ills.
Frank L. Seaver	Forger	Forgery	San Francisco, Cal.
A. S. Whitman	Forger	Forgery	Valentine, Neb.

BURGLARS CONVICTED,

September, 1896, to August 1, 1897.

NAME.	*Criminal occupation.*	*Crime.*	*Sentence.*	*Place.*
J. J. McCarthy	Burglar	Burglary	10 yrs.	San Quentin, Cal.
John O'Brien	Burglar	Burglary	5 yrs. 6 mos.	Jefferson City, Mo.
Jesse Hamilton	Burglar	Burglary	1 yr. 6 mos.	Ottumwa, Ia.
William Boyce	Burglar	Burglary	1 yr.	Joliet, Ills.

PENDING.

NAME.	*Criminal occupation.*	*Crime.*	*Place.*
William Loughridge	Burglar	Burglary	Savannah, Mo.
Fred L. Jones	Burglar	Burglary	Los Angeles, Cal.
Thomas Murray	Burglar	Burglary	Ottumwa, Iowa.
Charles Stevens	Burglar	Burglary	Ottumwa, Iowa.
Richard Dodd	Burglar	Burglary	Ottumwa, Iowa.
William Powers	Burglar	Burglary	Galesburg, Ills.
Joseph Reilly	Burglar	Burglary	Galesburg, Ills.
Thomas Wilson	Burglar	Burglary	Shelby, Neb.
George L. Rigby	Burglar	Burglary	Shelby, Neb.

SNEAK THIEVES CONVICTED,

September, 1896, to August 1, 1897.

NAME.	*Criminal occupation.*	*Crime.*	*Sentence.*	*Place.*
Patrick Flannigan	Bank sneak	Sneak theft	11 yrs.	Sing Sing, New York.

PENDING.

NAME.	*Criminal occupation.*	*Crime.*	*Place.*
Wallace Connors	Bank sneak	Sneak theft	White Plains, New York.
John Price	Bank sneak	Sneak theft	New York city, New York.

William H. Rhawn, of Philadelphia: I move the acceptance of the report and its publication in the proceedings, and I further move that the thanks of the Association be tendered to the Protective Committee for their most valuable and efficient work as disclosed in the report.

The motion was seconded and carried.

W. T. Fenton, of Chicago: The Protective Committee reports that Harry Conroy was sent to the penitentiary for two years, through the efforts of that Committee. I would like to ask if that is correct.

Joseph C. Hendrix, of New York: Such a name is on the list that we have reported. Whether it is the person to whom you refer, or not, I do not know.

Mr. Fenton: I simply want to correct the error of the report; that is all. Our bank convicted that man. We spent four hundred dollars to send him to the penitentiary, and I think Mr. Pullen will bear me out in the statement that we applied to the Protective Committee to have that money refunded to us, but our claim was ruled out.

The President: Gentlemen, the report of the Chairman of the Executive Council is now in order.

F. W. Tracy, of Springfield, Ill.: Mr. President—The report of the Executive Council will embrace resolutions which will take some time for consideration, perhaps, and I therefore move that we take a recess until two o'clock.

Alvah Trowbridge, of New York: I hope that motion will not prevail. The report will take only about three minutes to read, and the resolutions to which the gentleman refers will be presented by the chairman of the special committee appointed to get them in form, and that will only take about five minutes more.

Mr. Tracy: Very well, then I will withdraw my motion.

The President: Gentlemen, give your attention to the reading of the report of the Executive Council, by its Chairman, Alvah Trowbridge, of New York.

Report of the Executive Council.

The address of the President, and the reports of the Secretary, Treasurer, Protective and other committees, furnish you with so comprehensive a statement of the work of the Association during the past year, that there is little remaining untold for the Chairman of the Executive Council. Coming into office at the close of the Association's most successful year, I could only hope to be saved the humiliation of losing prestige; indeed, the announcement of the new schedule of dues, when general business was so bad, almost forebade any hope of advancement. Notwithstanding this, however, we come to you with a record surpassing any previous history.

The work of the Executive Council has been done in a most painstaking manner, and the Chairman records his sense of obligation to its members for the courtesies he has received, and for their unflagging interest.

The Council at its meeting in April appointed a Commission to study the question of safeguard for protection of checks and drafts—a Committee on Uniform Laws and a committee to circulate information among the people, showing the close relation of banks to the general business of the country, and the value of the services which banks have given and can give toward the general prosperity.

The report of the Protective Committee is, perhaps, the most satisfactory evidence you could have of the value of combination against thieves, and in this light we can afford to be charged with pooling our issues.

From the report of our Treasurer you will observe that the Association is in a healthy financial condition.

The business of the Secretary's office has been under the direct supervision of the Chairman of the Executive Council, and I take pleasure in saying that the magnificent success of the year just closing is largely due to the energy and tact of our Secretary, Colonel Branch, to whom I return thanks for such careful and efficient services as has made the office of Chairman* of the Executive Council almost pleasant.

The increased business of the Secretary's office has compelled us to seek larger and more commodious quarters, and we have taken offices in the Commercial Cable Building, Broad street, near the New York Stock Exchange. It is the desire of the Secretary, and will be very much for the interest and benefit of the Association, that members, when visiting New York, should call at the office and register their names. Facilities will also be furnished for despatching and receiving mail and telegrams. It is believed the fraternity will appreciate the comfort and conveniences we offer. In the programme which we shall offer you will find questions touching the everyday life of our business, and there is nothing affecting the business of the country that does not interest bankers.

(Signed) ALVAH TROWBRIDGE, *Chairman.*

On motion the report was received and filed.

THE PRESIDENT: The report of the committee appointed by the Executive Council to formulate the proposed amendments to the Constitution is next in order. Mr. Hendrix will present it.

JOSEPH C. HENDRIX, of New York: Mr. President and Gentlemen of the Convention—At a meeting of the Executive Council, held in this city last night, a number of proposed amendments to the Constitution were very carefully considered. The proposers of those amendments, so far as they could be secured, came before the Council and discussed them, and a sub-committee from the Council was appointed to report to this Convention the action of the Council, and to state that the report has the approval of the Council. In general terms those amendments provide for two things. First, to increase the representation of State associations in the Executive Council. Under the present by-laws, each year three delegates from State associations are elected to the Executive Council. The amendment which I will read and move to have adopted provides for an increase from three to five. The second amendment is as to the method of nominations of officers. Heretofore the plan has been that immediately after the first adjournment in the Convention, delegates from each State and Territory shall meet, at which several meetings the respective Vice-Presidents shall preside, and these meetings shall each select a member to be one of a list from which the Committee on Nominations shall be made by the President of the Association, selecting five or seven persons, who shall constitute and be the Committee on Nominations. The amendment which is proposed takes from the President of the Association the power to select a sub-committee, and leaves the entire matter with the Committee on Nominations, as composed by the delegations from the various States. In language, the amendments are as follows, and as I state them, I will move their adoption:

Section 1 of Article III. Strike out the word "three" wherever it occurs, and substitute the word "five."

So that it will read, where changed, as follows:

Commencing with the Convention of 1897, five members of the Executive Council shall be chosen from the delegates from the several State Associations of banks and bankers, five in 1898, five in 1899, and thereafter the successors of these several groups annually.

I move the adoption of that proposed amendment.

The motion was seconded.

F. W. HAYES, of Detroit: Does that read now, "Shall be chosen *from* the delegates," or "*by* the delegates?"

MR. HENDRIX: It reads, "from the delegates."

MR. HAYES: Then I would suggest that you change the word *from* to *by*.

MR. HENDRIX: With the consent of my associates on the Committee I will accept that suggestion, and make the change accordingly.

THE PRESIDENT: Gentlemen, all in favor of the adoption of the proposed amendment, as it stands, on the presentation of Mr. Hendrix, will signify it by saying, aye; those opposed, no.

Adopted.

MR. HENDRIX: In the last part of Section 2, in order to perfect and carry out the same idea, the word "three" is stricken out, and the word "five" substituted. I move the adoption of that amendment.

The motion was seconded, the question put by the Chair, and the amendment was adopted.

MR. HENDRIX: In order to overcome any question about the right of a State to elect a delegate to the Executive Council who might not be a member of the American Bankers' Association, the Committee instruct me to report the following amendment:

After the words, "selecting five names for members of the Executive Council," add the words, "who shall be members of this Association."

I move the adoption of that amendment.

The motion was seconded, the question put, and the amendment was adopted.

MR. HENDRIX: In furtherance of the same idea, I am instructed to report an amendment to Section 2 of Article III, adding these words: "No delegate from any State Association shall, however, be eligible unless he is a member of the American Bankers' Association."

I move the adoption of that amendment.

The motion was seconded.

W. P. KNIGHT, of Pittsburg, Pa.: Does the word "delegate" used there mean a delegate from a State association, or does it mean the delegates who are at present at the Convention?

MR. HENDRIX: It means the delegates sent by the State associations.

The question was put, and the amendment was adopted.

MR. HENDRIX: I beg to ask your attention now to the change in the method of nominating officers. The proposition is to strike out of the first sentence of Section 2 of Article III of the Constitution the following words: "To be one of a list from which the Committee on Nominations shall be made by the President of the Association, selecting five or seven persons," so that it will read, when these words are stricken out, as follows:

"Immediately after the first adjourment that occurs in the session of the annual Convention, the delegations from each State and Territory shall meet, at which several meetings the respective Vice-Presidents of the States and Territories, if present, shall preside, and these meetings of representatives from the States and Territories shall each select a member who shall constitute and be the Committee on Nominations."

Thus leaving it entirely in the hands of the membership of the Convention. I move the adoption of that amendment. The motion was seconded, the question put, and the amendment adopted.

MR. HENDRIX: I am instructed by the Committee to move that there be added to the clause the following words:

"The elections for President, Vice-President and for five members of the Executive Council to be chosen by the Association shall be by ballot, unless otherwise ordered."

I move the adoption of that amendment.

The motion was seconded, the question put, and the amendment adopted.

MR. HENDRIX: I am instructed by the Committee to report a Section 10 of Article III, new matter, as follows:

"The Secretary and Treasurer shall each give to the American Bankers' Association a bond, satisfactory in amount and form to the Executive Council."

I move the adoption of that amendment.

The motion was seconded, the question put, and the amendment adopted.

BRADFORD RHODES, of Mamaroneck, N. Y.: Mr. President—I wish to enquire as to the time when the delegates from the several States shall meet, first, to appoint their Committee on Nominations, and second, to appoint their Committee to select Vice-Presidents. I think we have now just accomplished a very desirable result. We have labored for some years to instill into this Association some of the methods which we in New York, at least, believe will build up this Association, and I congratulate the members of the Association.

THE PRESIDENT: I should think it would occur immediately after our adjournment this morning.

MR. RHODES: Where are they to meet?

THE PRESIDENT: They may meet right here in this hall. Each Chairman of a delegation can get his members together in different places in the hall, and have the meetings right here.

J. B. FINLEY, of Monongahela, Pa.: Mr. President—I move that we now take a recess until two o'clock.

THE PRESIDENT: I hope the gentleman will not insist upon his motion, as I think we can get through now in a very few moments.

MR. RHODES: Mr. President, I move that the Committee on Nominations be instructed to present for our candidates for the various offices at least two names for each respective office. That is, that we elect on the floor of this house five members of the Executive Council, and the Association by States will nominate five members. My motion is that the Committee be directed to present ten members of the Council and two candidates for Vice-President, and two candidates for President. So that we may be able to choose between those gentlemen.

THE PRESIDENT: The Chair thinks it is within the province of the Committee to present as many names as they choose, and I do not think Mr. Rhodes' motion is in order at present.

I will now call upon Mr Frank W. Tracy to present the report of the Committee on Uniform Laws.

The report was then presented as follows:

REPORT OF COMMITTEE ON UNIFORM LAWS.

To the American Bankers' Association.

Gentlemen—Your committee on uniform laws was directed by the Executive Council at its meeting in April last to prepare, with such legal assistance as might be desired, a uniform law for commercial paper. Fortunately for the committee there was published in the May number of the BANKERS' MAGAZINE a "Negotiable Instrument Law," which seemed to be a better law for the purpose than any which we could possibly frame. Hon. Lyman D. Brewster, of Danbury, Conn., President of the Conference of Commissioners of Uniform State Laws, freely and heartily gave the committee authority to adopt it for recommendation to your Association.

Before giving the law itself, we deem it wise to give the genesis of the law, which we take from an article written by Mr. Sherwood for the "Yale Law Journal."

"In 1896 the committee on commercial law, instructed to that effect by the conference of 1895, caused to be drafted an Americanized form of the British Act on Bills and Notes, passed in England in 1882. This was done by Mr. John J. Crawford, of the New York city bar, who published the first draft, with notes and references, and along with the English Act. This draft was sent to all the Commissioners on Uniform Laws and to many of the authors and experts on that subject, inviting criticisms and suggestions. After receiving such criticisms and suggestions the Committee on Commercial Law went over the Act now entitled 'A General Act Relating to Negotiable Instruments,' carefully with its author, and the bill, as so revised, was presented to the conference in 1896. The conference spent several days in its consideration, making some slight changes in its phraseology, and recommended the Act, as so prepared and perfected, for adoption in the several States.

The author and some of the revisers of the English Act, have expressed the highest commendation of the work of Mr. Crawford, and in no way more so than in saying that those features of their Act which were recommended by the drafters and first revisers, and rejected by the over-conservative Parliament—such as the abolition of the days of grace—had been adopted by Mr. Crawford.

The production of a single mind, how learned and skillful, may well be regarded with distrust, but the product of scores of lawyers of Great Britain, best qualified to know the law on the subject, tested by fourteen years of successful experience, and revised by commissioners from thirty States in this country, aided by the experts who have written on the topic, may surely inspire the confidence that the work is thoroughly done.

Then, too, while the bill is simple and intelligible in its expression, great care is taken to preserve the use of words which have had repeated legal construction, and become recognized terms in the law merchant.

The reception of the Act will be a fair test of the interesting question as to how far forth the legislature will adopt the work of the commissioners. Its importance in this point of view may justify some additional remarks upon it. A more useful or thoroughly prepared statute on commercial law would be difficult to find. All the fundamental principles and essential definitions of the law on commercial paper, the law, in short, of some ten thousand reported cases, is, in substance, condensed into thirty-six pages. The disputed points and variant laws, whose discussion occupies so large a share of two and three volumed treatises on the subject, are decided and harmonized. This decision and harmony is not the dictum or opinion of one man, or one body of men, or one State or one country. The English bill, originally drafted by Judge Chalmers, passed by the committees of both Houses of Parliament, adopted by all of its self-governing colonies, has had the test of fourteen years' experience, and the testimony is all one way as to its efficiency."

This law has already been adopted in the States of New Jersey, Connecticut and Colorado. It has become a law in the State of New York to take effect Oct. 1, 1897. Shall we not hope that the efforts of the American Bankers' Association, added to those of the American Bar Association, will result in placing this law on the statute books of all the remaining States within a reasonable period of time?

Your committee recommends that the Negotiable Instrument Law herewith submitted be urged upon the different State associations as a suitable and proper law for them to present to their several State Legislatures for passage. Your committee also recommends that a committee be appointed whose duty it shall be to correspond with the several State associations, and to look generally after the passage of the law by the several State Legislatures.

Respectfully submitted,

FRANK W. TRACY, G. P. GRIFFITH,
CALDWELL HARDY,
Committee.

ALVAH TROWBRIDGE: I move the report be adopted, and the committee continued another year.

The motion was seconded, the question put, and the report adopted, and the committee continued.

THE PRESIDENT: We will now have the report of the Committee on Bureau of Education, which will be presented by the Chairman, Mr. William C. Cornwell, of Buffalo, N. Y.

The report was then read as follows:

REPORT OF COMMITTEE ON FORMATION OF BUREAU OF EDUCATION.

At a meeting of the Executive Council in March of this year, I presented to that body a suggestion that a Bureau of Information be formed, which should undertake to educate the people as to what is the true character and operation of banks in the community.

I said, in substance, that if the bankers of the United States would establish a bureau and employ speakers to present the claims of the banks, properly, before the public; men who could in plain speech show the farmer and others that if the banks charge high for accommodation it is the fault of legislation and not of the banks themselves, much of the present hostility which exists against the banks would be removed.

In pursuance of this idea, the Council appointed a committee of three, consisting of Mr. Lowry, Mr. Hollister, of Grand Rapids, and myself.

The committee have been at work, through correspondence, in furtherance of this idea, and are ready to report their approval of the undertaking, and have in hand the preparation of a pamphlet, to be widely circulated by banks and Savings banks throughout the country, and also a plan for the organization of a Bureau of Speakers. The idea has met hearty approval from all sources, as far as the committee have heard. One authority, high in the financial-political world, writes:

"It has often occurred to me that the Association could not do better than to devise some method of providing a simple and not too prolix statement of the functions that a bank discharges in its relations to the welfare of the community in production, manufacture and exchange of commodities, and see to it that this treatise is put into the hands of thousands, if not millions, of people through local banks and bankers. There is, as you know, very great ignorance and very great prejudice concerning banks and a blind hostility which grows up out of a lack of apprehension of what the banker is and what he does. A large amount of money might, in my opinion, be profitably spent in doing this kind of missionary work, to the great advantage of the banking interests of the United States, and to the welfare of the social whole."

The Hon. James H. Eckels, Comptroller of the Currency, has frequently, in his speeches and writings, emphasized this point. In an address delivered at Philadelphia in May he says:

"Bitter opposition directed against aggregated capital in the shape of bank capital is a distinctive feature and a harmful one in American political life. It is not uttered against capital embarked in schemes for insurance. It finds no fault with capital embarked in many lines of trade and commerce, but it always finds utterance in the councils of many political parties in the form of protests against banks. In more than one Presidential contest it has furnished a theme for the demagogue and charlatan to prate of, despite full knowledge that the Government has never been in financial distress in times either of war or peace, but that the banking institutions of the country have furnished it with the means of averting bankruptcy, distress and disaster."

The question for us to solve is, how to get any publication we may issue into the hands of the public. It has been suggested that if the banks composing this Association would give the matter their consideration—and they certainly should—it would be the best way, as the list of members and all other data that are necessary are in the office of the Secretary; that when we agree as to the kind of matter we wish published, the Secretary be requested to send it out through his office, with such letters as the committee may indicate over their own signatures.

It has also been suggested that the larger Savings banks would be glad to place the pamphlets or other reading matter in the pass-books of their depositors. This would give an immense circulation. One Savings bank in New York alone has 116,000 depositors, and the total number would run up into many hundred thousands.

The ideas to be incorporated in this literature have been aptly suggested to the committee by the President of one of the great Savings banks of the country. We take the liberty of quoting his suggestions in full, because they so fully embody the idea of the work which the committee believes should be undertaken:

"In the first place, the articles emanating from this bureau should be written as simply as possible, so that they can be readily understood by the ordinary layman.

Secondly, the reasons for establishing banks of deposit to facilitate the exchange of commodities between individuals should be clearly defined, so that the average workingman could understand the great advantage to him through the establishment of banks to overcome the old methods of barter and sale.

Then should be clearly shown the great benefit to the community from having capital invested in banks so that the merchant, the manufacturer and the builder could obtain accommodations for notes, giving the advantage of credit and enabling those people to carry on all sorts of enlarged business and more extended real estate operations, by which the mass of the community are able to find employment to a greater extent than they otherwise would be.

Then the functions of a Savings bank would come in and form a strong argument, and certainly a strong example how the savings of the laboring people themselves which, in a scattered condition, are of little use, become through the aggregation of deposits in Savings banks a mighty power in the development of the industries of the country, and through which development the masses of the people are benefited.

This would naturally lead up to being able to show through this how the same forces which are put into operation by small depositors in Savings banks operate through banks of deposit throughout the country.

It should also be clearly shown, to my mind, that the true remedy for lack of bank capital does not lie in opposition to banks or banking facilities, but the multiplication of same—that if the complaint is made that the rates of interest charged are too high, the best answer is, then add to the number of your banks and let competition bring the rate down.

Then there should be shown very clearly that capital does not precede but follows credit, and how important it is that the laws in each State should be those which protect capital, capital being always timid, and just so far as capital is protected, just so far credit is increased, and credit is increased and money flows freely into such parts of the country where good faith exists, and an honest disposition to protect capital is evinced by the population living in such section, for it is this that makes the banking system of Canada so solid and so strong. Money loaned in the remotest parts of Canada is subject to the English law, and that law means protection without oppression."

As to the Bureau of Speakers, the committee desire to quote a plan suggested by one of the most active and able of the practical workers in the last campaign:

"Let the committee appoint a General Secretary, whose duties are to consist—

First, of organizing in the several States, or through the State associations, State committees, subject to the Central Committee.

Second, to secure for distribution such facts as may aid the people in coming to a clear understanding of the uses and operations of banks. Facts so acquired to be presented to the people by pamphlets, and with the aid of speakers.

Third, to supervise the distribution of such pamphlets, and to direct in a general way the speakers in the field. The secretary to speak himself as opportunity offers and occasion requires. Also to keep a record of all work done by the several State committees, and to prepare a report for the General Committee when required.

The expenses of the Central Committee would consist in the main of printing, postage, and salary of the secretary.

The local committee would be required to meet the expense incident to the distribution of literature and the pay of speakers.

The local committees might be empowered to select the speakers for the territory under their supervision, with a view to enabling them to select men familiar with the localities and their especial requirements, but would report all operations to the General Secretary, so keeping the whole movement under easy control."

The committee will be ready in a short time with the first pamphlet to be issued, and if it should be the will of the Council to continue this or some other committee, the matter of a Bureau of Speakers can be taken up and tried in a small way at first, and if successful can be gradually developed. Respectfully submitted,

(Signed) WM. C. CORNWELL, ROBERT J. LOWRY,
HARVEY J. HOLLISTER,
Committee.

L. B. KEMP, of Baltimore, Md.: I move the adoption of the report, and the continuance of the committee.

The motion was seconded, the question put, and the report adopted, and the committee continued.

BRADFORD RHODES: I move when we adjourn it be to meet at four o'clock this afternoon, the State delegates to meet in the gallery, and the delegates proper on the floor.

THE PRESIDENT: The Chair begs to state that there is no necessity for taking an adjournment until four o'clock, as we can finish up our business within ten minutes.

I regret to announce that Secretary Gage is unavoidably absent. We confidently expected him here to-day, and we feel greatly disappointed at his not being able to be present. The Secretary will read a letter which we have received from him.

The Secretary then read the following letter:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, August 13, 1897.

Col. J. R. Branch, Secretary of the American Bankers' Association:

SIR: Official duties here will prevent me from being present at the meeting of the American Bankers' Association at Detroit on August 17 to 19. While this deprives me of the anticipated pleasure of participating in your proceedings, I shall look with great interest to the report of your deliberations. Representing, as you do, the industrial and commercial interests of every variety and of all sections, deeply involved as your welfare is in the health and prosperity of the people, the information you can bring in as to the state and progress of the whole country, ought to be, at this time, of special value. Your conferences ought also to promote the stability and usefulness of the bankers' calling. It is important that you take all reasonable pains to spread abroad among the people a better understanding of the services you render both to production and exchanges. Misunderstandings and misapprehensions are injurious wherever they exist. They are especially so when they lead to jealousy and suspicion by the people of those who hold and exercise, as you do, large responsibilities to the public. It is to be hoped, further, that at this time, you also may be able to speak some word which will lead public thought into right lines, relating to the great politico-economic subjects of our national finance and banking system.

It would be a great pleasure to me personally to meet at Detroit on this occasion many old friends, acquaintance with whom began at former meetings of your Association, but this pleasure, as before intimated, I am compelled to forego.

Very truly yours,

LYMAN J. GAGE.

THE PRESIDENT: A paper will now be read by Mr. John Farson, of Chicago:

MUNICIPAL BONDS.—ADDRESS BY MR. JOHN FARSON, OF CHICAGO.

A large portion of the time of previous Conventions has been taken up, and very properly, in a discussion of the Currency Question, Extension of Credits, Acommodation Paper, etc., but perhaps a few words on the subject of "Municipal Bonds" will not be inopportune or altogether wasted.

By a "municipal bond" I mean not only a strict city obligation, but a security issued by quasi-municipalities as well, such as counties, towns and school districts. When it is considered that in a single month there are issued in the United States over $20,000,000 of such securities, almost all of which are handled by banks, the importance of the subject to this organization may be realized. That an obligation —based primarily upon the faith and credit of the people, and secondarily upon the taxable valuation of the property of the municipality—is the safest security that can be issued, is generally conceded. Prejudice and ignorance limit, but education and experience widen, and therefore where municipal securities are best known, there they are most highly esteemed.

Our Eastern States have many admirable Savings bank laws, and these provide for the investment of a large part of the assets of such institutions in securities of municipalities. For illustration: In the State of Connecticut the Savings banks hold:

Deposits	$140,000,000.00
Number of depositors	350,000.00
Average deposit, about	$400.00

This money, belonging to the man of moderate means, is invested in municipal bonds to the extent of $40,000,000, or one-fourth of the entire amount.

In New York State a similar condition exists, for the Savings banks of that State hold:

Deposits	$700,000,000.00
Number of depositors	1,750,000.00
Average deposit about	$400.00

Amount invested in municipal bonds about $250,000,000, or one-third of the entire amount.

And right here let me remark that in many places the rate of interest paid by Savings banks is too high, and the amount of deposits which may be received from any one individual is too large, for the reason that the Savings bank should be essentially the custodian of the funds of the poor man and not of the affluent—and no trust is more sacred. Paying a large rate of interest prevents the investment of the funds in as high a class of security as would otherwise be obtained. In many cities the man of means divides his funds among the different Savings banks to their limit of deposit, from any one depositor, that he may realize 4 per cent. thereon. The bank cannot pay this rate of interest and invest its money in such large amounts in high-grade municipal securities, and is therefore driven into other and less safe lines. If, therefore, the limit of deposits received from any one individual should be reduced to, say, $1,500 and the rate of interest reduced to two and one-half or three per cent., the object of the Savings bank, namely, the conservation of the savings of the man in moderate circumstances, would be fulfilled.

The issuance of municipal bonds tends to develop our country in a remarkable degree. A citizen in the Far West—the West is alike the workshop and the home of the ambitious—sends his children to a school built and equipped by the loan of the municipality, extending over a period of years and paid by a general tax levy, affording him therefor the advantage of raising his family in an environment equal to that in the older parts of the country. If it were not for such opportunities the development of the West would be greatly retarded and consequently the issuing of these securities brings the sections of our country into closer touch and is a large factor in the progress of civilization. The tax coming from a large number of people, in small amounts, is paid easily and without the embarrassment that frequently comes from a loan to an individual where the burden is upon the single man.

In fine, a municipal bond is desirable:

1st. Because its payment comes from a large number of people, rather than from a single individual as in the case of a mortgage. It is obvious that a security extending over a period of years and spread upon a large tax levy, the burden of which falls but lightly upon any one person, must be taken care of with comparative ease, especially when issued for a legitimate corporate purpose, where value received has been obtained, and an improvement made that is for the benefit of all.

2d. Convertibility, being readily transferred, eagerly sought for if placed upon the market and desirable as collateral. This is an excellent feature, not only to the individual holder, but to the corporate institution as well, which during time of financial stringency finds it necessary to realize upon quick assets, and therefore a reserve in municipal bonds is an element of great safety.

3d. Simplicity of issue. The laws of the various States are plain and comparatively simple, easy of access and not difficult to understand. There are no long tax titles to be examined or trust deeds to be scrutinized.

Litigation.—We are sometimes met with the objection that municipal bonds are litigated, but a careful examination will show that the bonds that have been fruitful of litigation have been "aid" bonds, issued by municipalities in aid of new railroads, sugar plants, beet industries, or something of this character, from which large returns were expected but not realized. When the people discovered that the hoped-for benefit failed to materialize they have unfortunately at times forgotten their obligation and endeavored to repudiate. Fortunately in the few such cases the courts have almost invariably held that where there has been original power to contract, mere irregularities in the manner and matter of issue should be swept aside. In fact the trend of the decision of the courts has been that where there has been original power to issue and the constitutional limit of indebtedness has not been exceeded, the obligation must be met in accordance with its face.

Forgeries.—There have been but three cases of forgery in recent years. E. O. Quigley, of New York, victimized the Mercantile National Bank of that city and several other banking institutions, but his forgeries were discovered before they had run into very large figures, and the forger is now serving a fifteen-year sentence in Sing Sing. Z. T. Lewis, of Urbana, Ohio, defrauded a number of banks in Dayton and is now serving a term of eight years at Columbus, and Vinton D. Pierce, of Missouri, is now serving a term in the penitentiary at Jeffersonville for a similar offence. Perhaps with pardonable pride I may call attention to the fact that the firm of which I am a member was the means of discovering and apprehending two of the above gentlemen, our New York office being responsible in one case, and our Chicago office in another.

This emphasizes the importance of dealing in municipal bonds with men who have been carefully trained and who have a wide experience. In this connection there has grown up a practice recently among banks of handling bonds in the way of purchase and sale. It appears to me that the business of a banking institution should be confined to legitimate lines; that it is a mistake for such an institution to handle any kind of goods as a commodity; that a reasonable proportion of its assets should be invested in quick and safe securities goes without saying, but it should go no further than this.

I should like to enter into this topic at more length, but my object has been accomplished if in this brief paper I have merely directed the attention of the splendid men who control the banking institutions of our country to this subject. It is one which will impress you more and more as the months pass by. (Applause.)

THE PRESIDENT: A telegram has been received from W. S. Fielding, Minister of Finance of Canada, expressing his regret at not being able to accept the invitation to be present at this meeting.

Our programme is finished for to-day. I think it is hardly necessary to call the roll of States, and ask the delegates to rise and state where they will meet. The Chairmen of the various delegations can get their members together after we adjourn.

BRADFORD RHODES: I renew my motion that when we adjourn it be to meet at four o'clock this afternoon.

WILLIAM H. RHAWN: I think we should proceed in accordance with the Constitution.

MR. RHODES: That has been amended.

MR. RHAWN: No, not that part of it. The Constitution provides that immediately after the first adjournment that occurs in the session of the annual Convention, the delegations from each State and territory shall meet.

T. H. ANDERSON, of Washington: The purpose of the meeting at four o'clock is a matter with which this Convention has nothing to do, in my opinion. As stated by the Chair, the work of the Convention has now been completed for the first day. The four o'clock meeting simply contemplates the assembling of the delegates from the different States and territories. The suggestion of the Chair, therefore, that each State arrange for a meeting at such time and place as may suit itself, is certainly proper. I therefore move that we do now adjourn until to-morrow morning at ten o'clock.

The motion was seconded, the question put, and the Convention took a recess until Wednesday morning.

Adjourned to Wednesday, August 18, 1897, at 10 A. M.

SECOND DAY'S PROCEEDINGS.

THE PRESIDENT: The Convention will come to order. Our proceedings this morning will be opened with prayer by the Rev. Dr. D. M. Cooper, of this city.

PRAYER BY DR. COOPER.

Almighty God, our preserver and benefactor, we realize, as we come into Thy presence this morning, Thy greatness and our own insignificance, Thy holiness and our impurity; but we thank Thee that the gulf has been great, and that Jesus Christ manifest in the flesh, through His incarnation, and through His death and resurrection, through whom we have access unto the Father and Communion is opened with the living God. We thank Thee that Thou hast preserved us during the past night, and that we gather this morning with renewed vigor. Let Thy blessing rest upon this gathering. Guide them in their deliberations, and while they look upon the things that pertain to their own interests, grant that they may also look upon other things. Thou hast enjoined upon us that prayer shall be made for all who are in power and authority. Therefore, we ask Thy blessing to rest upon the President of the United States, and all those associated with him in the councils of the nation. We pray that Thy blessing may rest upon the Governor of this State, and also upon the Mayor of our city. Let Thy blessing rest upon this Commonwealth and all its institutions. Bless us as a nation. We thank Thee that the clouds of adversity are passing off, and are being dissipated by the rising sun of prosperity. And now we ask, summing up all our desires in

those sweet words, which contain all that we could ask or desire: "Our Father Who art in Heaven, Hallowed be Thy name; Thy kingdom come; Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and lead us not into temptation. Forgive us our debts as we forgive our debtors, for Thine is the kingdom, and the power, and the glory, forever. Amen."

THE PRESIDENT: The Vice-President will make some announcements.

JOSEPH C. HENDRIX: Members of this Convention who are sent here as delegates from State associations, and who are at the same time members of the American Bankers' Association, will meet this afternoon at five o'clock, on the boat, which has been provided for our pleasure, by the local committee, will there organize and nominate five members of the Executive Council to be voted for by this Convention at its meeting to-morrow. Members of this Convention who represent associations of banks and bankers in various parts of the country only are eligible to attend this meeting. Those who are here by virtue of their membership in this association, as individual bankers, have nothing to do with this meeting.

The Nominating Committee provided for by the amendments to the Constitution adopted yesterday will meet at nine o'clock to-morrow morning, in the Executive Council room, at the Russell House. And now, as the list of States is called, some gentleman representing his delegation will rise and state who has been chosen by his delegation as a member of this Nominating Committee, and he will also place with the member of that Nominating Committee the name of State delegation's nominee for Vice-President from the State which he represents.

The Secretary called the roll of States, and the following responded, naming this Nominating Committee:

Arkansas	**John G. Fletcher, of Little Rock.**
Connecticut	**F. D. Hallett, of Winsted.**
District of Columbia	**T. H. Anderson, of Washington.**
Georgia	**F. T. Hardwicke, of Dalton.**
Illinois	**Holmes Hoge, of Chicago.**
Indiana	**John H. Holliday, of Indianapolis.**
Iowa	**Fred. Heinz, of Davenport.**
Kentucky	**James S. Barret, of Louisville.**
Louisiana	**Joseph Geblin, of Baton Rouge.**
Maryland	**L. B. Kemp, of Baltimore.**
Michigan	**F. W. Hayes, of Detroit.**
Minnesota	**W. F. Myers, of St. Paul.**
Mississippi	**J. W. Griffis, of Grenada.**
Missouri	**W. H. Thomson, of St. Louis.**
Nebraska	**H. W. Yates, of Omaha.**
New Jersey	**B. V. Leigh, of Clinton.**
New York	**Stuart G. Nelson, of New York.**
North Carolina	**John M. Miller, Jr., of Charlotte.**
Ohio	**William A. Graham, of Sidney.**
Pennsylvania	**Chas. F. Dean, of Pittsburg.**
South Carolina	**Robert M. Wallace, of Sumter.**
Texas	**Chas. F. Smith, of McGregor.**
Virginia	**Thomas Potts, of Richmond.**
West Virginia	**Joseph E. Sands, of Fairmont.**
Wisconsin	**A. J. Frame, of Waukesha.**

THE PRESIDENT: The next item on the programme is brief statements of the general condition of business throughout the various States, each speaker not to occupy over five minutes.

The Secretary then called the roll of States, and the following responded:

ARKANSAS.

JOHN G. FLETCHER: Mr. President and Gentlemen of the American Bankers' Association, Ladies and Gentlemen—The history of this country shows that Arkansas and Michigan are twin sisters, they having been admitted into the Union under the same Act of Congress, on the same day, and by the same vote. Consequently Arkansas feels kindly towards Michigan; not only kindly towards Michigan, but kindly towards every State in this great Union. (Applause.) Michigan has led Arkansas in the great race in the progress of States. Why? Nature planted Michigan along these Great Lakes, while Arkansas was planted west of the Mississippi River, with forty miles of swamp on the east side, and the National Government, believing that Arkansas was the jumping-off place of creation, planted the Indian nation on our western border. Not that alone, but Texas was on our southern border, when it was a republic of its own, and was the resort for refugees from other States. We had all this to contend with, but thank God Arkansas is to-day on the road to progress. (Applause.)

In 1870 Arkansas had 400,000 population. In 1880, 800,000, and in 1890, 1,250,000. Her products were about 100,000 bales of cotton annually then, while to-day we are raising a crop of over 800,000 bales, and plenty of corn, wheat, meat, rye, barley, and lots of watermelons for the colored race, too. (Laughter.)

When the war ended there was not a regularly organized bank in the whole State. To-day we have ninety-eight banks and banking institutions, and those banks as a rule are all well managed, and give facilities to the people to raise their own crops, build their houses, churches and school houses. Arkansas was once derided, but such is not the case to-day. In 1860 she had a little stretch of railroad, about forty miles long. Now we have 2,400 miles of railroad, and if we have ordinary luck this year, we will build 600 miles more. I would say to some of my friends who have thought evil of Arkansas, that there is no such thing as killing "niggers" before breakfast, and having them to eat the rest of the day. One-third of our population are colored, and we live in harmony together. We work together, and there is no ill feeling between the land-owner and the former slave. We recognize them under all the rights which the Constitution and the amendments guarantee to them. (Applause.)

THE PRESIDENT: I regret to call the gentleman's attention to the fact that his time has expired.

ALVAH TROWBRIDGE, of New York: I move that the gentleman be given additional time.

THE PRESIDENT: All in favor of the motion will signify it by saying aye, opposed, no. Carried.

THE PRESIDENT: The gentleman may proceed.

MR. FLETCHER: I had no idea that I had been speaking more than two minutes and a half. We are all one people to-day. The bankers have the same interest in this country that the toiling man has, and I can say to my good friends of the Northern States, we have no strikes down there, and no dissensions between employer and employee. We work side by side for the upbuilding of the country. You will live to see the day when Arkansas, instead of having six representatives in Congress, will have fifteen. Why? The tide of emigration is westward, and the young man that comes to Arkansas and will pull off his coat and go to work, will make a home there which in time he will be proud of and his children after him. I speak to you as a native Arkansan, one who never lived in any other State, and never expects to. That country is good enough for me, and for my children after me. Not that I don't admire these other cities. It has been my good fortune to mix with this people from my boyhood. I go frequently to New York and Boston, and to the other larger cities of this country, and I love the people and the institutions. I speak as a Confederate soldier, too, who shouldered a musket at the outbreak of the war, and fought it through to the bitter end, and went home and said that all I ask of the Government was to let me alone and protect me in my rights, and I would show the world that the Confederate soldier would defend the national flag if it were ever assailed again. (Applause.)

I stood in front of General Sherman on his march to the sea, and I met him after the war was over with a grasp of the hand which meant the finest sympathy of my heart for the Government. I escorted General Grant from Memphis to Little Rock some years ago, where we gave him a grand banquet, and I want to tell you that I revere the name of Grant equal to that of any man who ever lived in this country. (Applause.)

A man who does not love his whole country, his soul is dead to the warmest impulses of an American citizen. Now, my time is up. I hope this Convention will do no foolish thing, but will do many good things to advance the interests of the whole country, and that peace may reign in this country, and we may have a united country for all time to come. (Applause.)

CONNECTICUT.

B. G. BRYAN, of Waterbury: Mr. President, and Gentlemen of the Convention—I am glad to be able to be here to-day, to represent the small State of Connecticut—"the nutmeg State," the "land of steady habits."

Our banking institutions are all in a healthy condition, and although our State cannot boast of so large a banking capital as many of the States here represented, we have about $25,000,000 capital invested in banks, of which eighty-two National banks have $22,000,000 capital, and about fifty per cent. of the same in surplus, which I think is a fair average for the banks of the country. The Savings institutions hold about one hundred and fifty millions of dollars for depositors. Our State, so far as general business is concerned, has been quite prosperous, even in the depressed times of the past few years. In the city of Waterbury, which is widely known as the Brass City, because of its large brass industries, very little depression has taken place, because the brass works there are running all the time, and that city is also the home of the Waterbury Watch Company, a watch widely known all over the world, and which I hope the bankers here carry.

BRADFORD RHODES: Local time?

MR. BRYAN: Standard time. It is a well-known fact that the Naugatuck Valley has seen less of depression in the hard times than any other part of the State, and I think of New England. (Applause.)

GEORGIA.

C. C. SANDERS: I am glad to report that the general condition of business in Georgia is good. A large number of acres of timber land have been cleared in the northwest part of the State, and many cotton factories have been started, and a few packing houses have been started up. The seaboard cities of Brunswick and Savannah are consequently feeling the impulse of the business in the interior, and they are picking up. The cotton crop credit system has given way largely to a cash basis, and the banks of Georgia have proven their solidity by withstanding the late financial depression very much better than did the banks in some of the States. (Applause.)

ILLINOIS.

E. J. PARKER, of Quincy: I am surprised that some gentleman from Chicago does not rise when Illinois is called. Is there no man from Chicago ready to speak? (Laughter.) Well, well. For once we may say that Chicago lacks push, and while it is a large city in a large empire, yet it is not all of Illinois.

I come from the western section of the State, and in speaking of the return of prosperity—for the tide has turned—I may perhaps speak partly of Missouri. They say of us that we live partly in Missouri. So, if I get astride of the river, and speak for both sides, you will forgive me. Speaking generally and then specifically, let me say that after the panic of 1873 liquidation lasted for six years. We had the question to face also of the payment of United States bonds with greenbacks, the inflation of the currency, and I think Col. Fred Grant speaks wisely when he says that the veto of the inflation Act was the most judicious thing his father ever did in civil life. Let me say right here in the words of Garfield, when he said that if his whole political future rested upon his ballot, whether inflation should come or not, he would vote against it. He afterwards became President of the United States.

Again the country was apprehensive that we could not resume specie payment in 1878, and still remain prosperous. We passed that point. Now, as to the conditions being somewhat alike. On the return of prosperity in 1879, and in 1897, we had then had good crops for a few years, as we have now. The country is now larger and richer. Further, there are some singular features that the exports of manufactured goods of the United States should be to-day larger than her exports of breadstuffs, is a singular state of things, and we in the West are glad also to see an increased export of corn which should be used by England, and the Continent of Europe, as the cheapest food product.

Now, as to the conditions, they are somewhat similar. We have the promise of good crops this year. We feel this prosperity in the West, I think, now a little more than you do in the East. All merchants and manufacturers understand clearly that to do business on a rising market is a very different thing from doing business on a falling market. We are through with falling markets. In your stock market, the valuations have increased considerably. Your industrial stocks are increasing steadily, and as now the evidences of prosperity in our city and state have come, we hope for very much this year. In our city there is a very large manufactory of governors attached to engines. The demand for them is increasing, and that means new engines, notwithstanding the application of electricity. Elevator manufacturers are running night and day. This demand for governors implies that the elevator manufacturers are putting in new elevators in the new buildings that are being constructed. So, in all our manufactures—for in our little city we call the manufacturers the four hundred, and we have a very industrious city—everything is booming. In the manufacture of agricultural implements, a concern that manufactures twenty-three different kinds of agricultural implements told me that they had sold out everything they had on hand this season. (Applause.)

INDIANA.

J. H. Holliday, of Indianapolis: Mr. President, I have to report a marked improvement in business in our State. Indiana is a large agricultural State, and we are pleased at the prospect of magnificent crops this year, which will bring large sums of money into the State. Country merchants are buying largely, and the jobbers are feeling great encouragement. Indiana is a State also of large and diversified manufacturing interests, and improvement is quickening all along the line, so that the manufacturers begin to feel that they are now emerging from the slough of the last three or four years. Labor is generally employed, and the conditions are favorable in the extreme. Business is improving also with bankers. The demand for money is good at excellent rates, and they have become so encouraged over the condition that they have just now organized a State bankers' association, in which we have heretofore been a little slow, but we expect to make it a valuable adjunct to the American Bankers' Association. (Applause.)

IOWA.

Fred. Heinz, of Davenport: Mr. President, and Ladies and Gentlemen—When to-morrow's sun rises over the fertile soil of Iowa, a soil now covered with the garnered grain of a bounteous harvest, and with the corn-stalks as tall as the black alluvial soil wherein they grow is deep—corn-stalks taller than our worthy President, and still growing and promising an abundant yield—it will find 1043 bank Cashiers of which 1042 are males and one a female, ready to grasp the hands that bring the funds that keep the machinery of the banks in motion.

Iowa has four kinds of banks—besides those known to the navigators, namely: 201 State banks, and 169 State Savings banks, under State control; 163 National banks under national control, and 510 private banks partly under the control of the State, the common law, and the law of nature—being more banks in number than any other State in the Union excepting possibly New York.

According to the report of May 14, 1897, these National banks had a capital of $12,958,000; surplus, $3,046,000; undivided profits, $1,326,000; deposits, $24,879,000; showing a decrease of the year before of capital stock, $490,000; and of deposits $1,317,000.

The State banks, according to last report, June 30, 1897, had capital stock, $9,135,000; surplus, $1,013,000; undivided profits, $964,000; deposits, $16,857,000; showing an increase over a year previous in stock, $271,000; in deposits, $1,121,000.

The State Savings banks, according to report of June 30, 1897, had capital, $7,151,000; deposits, $38,585,000; showing a decrease over a year previous in capital of $295,000; and an increase in deposits of $358,000.

The private banks making no official reports, their standing cannot be arrived at sufficiently to make any statistics of value.

Since the above official reports have been made, however, there has been a noted increase in deposits, so that it is fair to presume that the Iowa banks to-day have at least $2,000,000 more deposits than as above stated, and are holding large sums in excess of the legal requirements.

There have been about ten failures during the past year, resulting with more or less disaster to the ones interested—being loss to depositors and stockholders and a gain of a fixed term at the expense of the State to some of the bankers.

It is believed, however, the most of these failures were frost bitten by the chilly winds of 1893, and collapsed when warmed by the dawn of prosperity—and now that prosperity for all is—or is supposed to be—in sight, the next year will make a better showing, especially in view of the fact that the price of farm products is rising, and that our industries will be able to work full time and that, too, with no danger of the most important ones going on a strike, more particularly meaning that trio of money earners, the hen, the hog, and the cow.

KENTUCKY.

E. C Bohné, of Louisville: Kentucky, like all the balance of the country, has had a pretty hard road to travel for the last four years, but I am very glad to be able to state that notwithstanding all this, our women are just as fair and pretty as ever, our horses are just as good and faster than ever, and our whiskey is simply excelsior. (Applause.)

KANSAS.

J. R. Mulvane: Kansas comes up smiling with 50,386,000 bushels of finest quality of winter wheat, with a present market value of $35,000,000.

Of corn, we reported for taxation on the first day of March, 1897, 87,500,000 bushels in our cribs; and I think we were just like our plutocratic friends down East, we did not over-estimate the quantity for the benefit of the public. We never do for taxation. On this year's corn prospect we are a little off, but will come to the front with a new crop of about 120,000,000 bushels. Quite sufficient for corn bread for the whole United States.

In 1896 one county in Kansas raised more bushels of corn than all New England, eastern New York, New Jersey, Delaware and Maryland combined. That same county will do the same thing in 1897.

One county in Kansas raised more bushels of wheat this year, 1897, than all New England, eastern New York, New Jersey and Maryland did of wheat, rye and barley combined.

One county in the short-grass region this year raised for every voter in the county 1,550 bushels of wheat worth at present market values one thousand dollars for each of said voters. The debt of this county is less than five hundred dollars for each voter. This same county returns for taxation in other chattels, horses, cattle, and sheep over three hundred dollars per voter.

We returned on the first day of March for taxation 1,900,000 head of cattle; and 1,100,000 head of four-legged hogs. Since July 15 (we have commenced to market our stuff), we are drawing out of Kansas City alone $300,000 per day six days of the week; and we think we will continue this until snow flies.

One bank at the Kansas City Stockyards, in the year 1896, paid out over the counter $110,000,000 for hogs, cattle and sheep. A friend estimates that this year's production for the State will reach the enormous amount of, for

Livestock products	$53,000,000
Corn products	24,000,000
Wheat products	35,000,000
Other sundry agricultural products, rye, barley, oats, beans, edible and castor, peanuts, broom-corn, apples, potatoes, sweet and common	20,500,000
Dairy products	5,000,000
The helpful hen products	3,500,000
Coal products	3,500,000
Salt	1,500,000
Minerals, lead and zinc (26 per cent. of the zinc product of the United States is mined in Kansas)	8,500,000
Making a grand total of	$154,500,000

The percentage of failure and loss to depositors from the banks of Kansas, National and State, has been one-half less than the best record of any State of the Union for the last three years.

Our State banks, as compared to last year, have a million less loans with three million more on deposit, with less than one-third of the amount of borrowed money than we had last year.

Eighty-five per cent. of the mortgage indebtedness of the State of Kansas has been liquidated.

It has become fashionable for our populistic and free-silver friends to recognize the fact that prosperity is at our door—in fact has been lingering with us a year.

MASSACHUSETTS.

A. M. Gleason, of Greenfield: I represent one of the smaller counties of Massachusetts, but one that is very prosperous as far as the banking business is concerned. The assets in our banks are about $8,500,000. (Applause.)

MARYLAND.

Lawrence B. Kemp, of Baltimore: I wonder if anything is left for the little State of Maryland. All these big States tell us of the many things they have got, but still I am reminded of the approbation which the present Comptroller of the Currency paid to us, when he said at our recent convention, "You gentlemen never have given me any trouble." So we come here ready to look you all in the face; that although we have had hard times, and have had many things to worry us, we still can keep a stiff upper lip, because prosperity and better times have reached us. We are not loaning our money at two per cent., but with our heads elevated we say to our borrowers, "You will have to give us a living rate." There is one thing that no State in the Union can surpass us in. You have all been to Baltimore, and you know that our girls are the prettiest in the world. We shall always be glad to see you. Our latch-string always hangs outside. (Applause.)

MICHIGAN.

PETER WHITE, of Marquette: Gentlemen, I come from that portion of the State of Michigan which lies somewhat contiguous to the Klondike region. It produces gold and silver and copper and iron. The copper interest is highly profitable and prosperous—perhaps more so now than ever before. The iron industry is somewhat depressed, although we are beginning to see the dawn of better days. The gold is still in the earth. Some of the silver is there. We are not trying to get it out. (Laughter.)

Most any gentleman from Detroit could better inform you as to the lower peninsula than I, but my information is that fewer mortgages are being made and more are being paid than usual; that the farmers are looking to get the greatest crop ever harvested, and better prices. Michigan is the best fruit-producing State in the Union, and produces the largest quantity of it. Michigan also raises the best potatoes, and the best wheat. I don't want to brag too much about Michigan. We would not think for a moment of matching our women against Kentucky or Maryland, but as to any other State, we will produce them.

I may say that Michigan is all right, and her people are all right. A banker from the interior told me yesterday that men who formerly would not deposit five dollars because they wanted to wait until they got fifty dollars—and consequently never had any bank account, because they never got fifty dollars together—that to-day those same kind of people are depositing their five dollars, and their ten dollars, and so on, until their accounts have accumulated, many of them to four hundred dollars or five hundred dollars, and it is all because this depressed state of things has forced a sort of economy upon the people, so that it has made a certain class of our people comparatively rich in that way.

MINNESOTA.

L. L. BENNETT: When my colleagues from the State of Minnesota requested me to respond for the State, I accepted the invitation with pleasure, for if there is any subject on which I love to dwell, it is upon the past, the present, and the future of the State of Minnesota. We can produce more bushels of No. 1 hard wheat, and more tons of the richest iron ore in the world, than any other State; and we are close after any other State in the production of dairy products, of hog products, and of cattle products, and in fact of every article that goes to make up the immense volume of our diversified farming interests.

But you may suggest that I was to speak of the banking interests of our State, yet I need not say to any practical banker that this condition of our prosperous State speaks in unmistakable language of the actual banking condition of the State also. The banking interests of the State are in a sound and solvent condition. In common with the rest of the United States, for the last two or three years we had our share of misfortune, but not a bank that was founded on the rock of good banking principle moved from its solid foundation. The banking interests of Minnesota are now all right, and in the hands of legitimate bankers will pay fair dividends on capital invested, and make honorable records for the managers having them in charge. (Applause.)

MISSISSIPPI.

E. P. Abell, of Water Valley: I am very glad to state that the condition of the banks in the State of Mississippi is exceedingly prosperous. Last year at St. Louis I believe it was stated that within the last fifteen years there had been but one failure in Mississippi, and the man who caused that was placed behind prison bars. I do not know that we have kept from failing simply from an apprehension that we may be put behind bars with him, but I believe it to be due to the fact that our people in the last few years, forced by the necessity of economy, have lived more economically, have paid their debts more promptly, and in this way the banks, of course, have felt the effect of that method. While the banks do not loan largely to the planter, yet indirectly they do by furnishing to merchants, who in turn supply the planter.

We are largely an agricultural State. Something like $50,000,000 worth of cotton is produced annually, and we are large producers of corn. I suppose our corn crop this year will be largely in excess of the needs of our people. We do not sell it, however, at twenty-five or thirty cents, which would be considered a good price in the West, but they want forty, fifty, sixty or seventy-five cents for it, if they will sell at all, and the reason is because the railroads will not carry it for us so that it would be profitable.

Perhaps it is not generally known that Mississippi has more timber land of fine quality than any other State in the Union—thousands of acres of the finest long-leaf pine, cypress in large quantities, and oak, too. This is all undeveloped, yet we have received as much as $5,000,000 per year for timber. We are not known as a manufacturing State, yet we have one of the largest manufacturing concerns of its kind in the United States, the Western Mills, which employs about eighteen hundred men. A great many of our friends from the North and Northwest have moved into the southern portion of the State, and in some of those towns down there they raise great quantities of tomatoes. Thirty carloads of tomatoes have been shipped from one station in one day. That has grown to be a considerable industry. I believe these conditions have placed the banks upon a better footing than they have been for a long while. (Applause.)

MISSOURI.

W. H. Thomson, of St. Louis: Mr. President and Gentlemen—I am totally unprepared for anything like a speech. This duty would more properly devolve upon the President of our Missouri association, but he is unavoidably detained. I am, however, always glad to say a word for the city and State of my adoption.

Missouri comes to this Convention with a voice of greeting to her sister States on the evidence of prosperity which seems to be appearing all over the land. So far as our State is concerned, our crops never were better, and prices we know are good. We have large herds of cattle on our prairies, and plenty of food in field and barn for taking care of them. I am glad to say that the wheels of industry in St. Louis, which for several years past have been comparatively idle, are once more pretty generally in motion. Our deposits are rather unhealthfully large, but we hope the increase of manufacturing, which is now begun, will cause the money to be drawn out, and put into those different enterprises. Our banks are well supplied with loanable funds, and the prospect for good demand for same is already quite apparent; rates, a good thermometer of conditions, you know have considerably stiffened; they are not so high, however, as to make them beyond the reach of anyone who desires to use them in legitimate business. We have plenty of money for fostering all rightful, legitimate enterprises, not only for ourselves, but for our neighbors in adjoining States who may have occasion to call on us. (Applause.)

NEBRASKA.

H. W. Yates, of Omaha: Mr. President and Gentlemen—In the apparent absence of anyone else to speak for Nebraska, I feel constrained to say something, and I shall differ somewhat from gentlemen who have preceded me in speaking of the signs of approaching prosperity. They have spoken to you in general terms. I propose to give you a few features.

Our State Banking Board has recently issued a statement showing that our State banks have gained in deposits during the past year $1,000,000. There are very few State banks in the cities. In Omaha there is not one. The loan companies doing business in the State report that the farmers have paid within the past year $28,000,000 of their mortgage indebtedness. (Applause.) I do not vouch for the accuracy of these figures, but they are, to a large extent, sustained by facts.

Last year we raised nearly 300,000,000 bushels of corn. This year we confidently expect a crop of 350,000,000 bushels. We have more than double the wheat crop this year, and Nebraska will, for the first time in her history, be in the front rank of the wheat-producing States, with a total of 40,000,000 bushels. (Applause.)

Our State has large, diversified crops. I am informed by a gentleman who knows, because he is in a position to know, that a careful estimate of the value of the crops raised in Nebraska this year would be $300,000,000. More than the product of all the silver mines in the world; more than the total product of all the gold in the world. For a State which for a number of years has been drought-stricken, and to which only a short time ago you consigned carloads of grain and food for the support of our famishing families, I think that is a pretty good statement.

One thing is certain, that the golden gleam from our ripening crops does not reflect the calamity tint to which the utterances of so many public men, and of the vote of our State last year, seemed to commit the State.

I do not feel that I can take my seat without referring to the Trans-Missouri Exposition, which will be held next year in Omaha. It is believed that it will be second to none of recent years, except, of course, the Chicago Exposition. It has received the support of all the States west of the Missouri River, and of a number of those east; it has received a large appropriation from the United States Government, and I believe I am safe in saying that everyone who will visit Omaha next year will be well repaid for his visit. (Applause.)

NEW YORK.

James H. Tripp, of Marathon: Mr. President and Gentlemen—It hardly seems necessary for me to take up very much of the time of this Convention to make any statement in regard to the banking interests of the great State of New York. As you are all aware, within the limits of our State is located the great commmercial and financial city of the Western Hemisphere; a city whose business transactions are of such magnitude as to be almost beyond human comprehension, for even during these depressed times, the business of the clearing-house of New York city has averaged nearly $100,000,000 a day—more than all the other clearing-houses in the United States put together.

All eyes, especially those engaged in financial transactions, are turned to the city of New York to see what the future prospects of business are going to be.

I presume there are few banks represented here that do not keep an account with New York city. So these being the facts, it hardly seems necessary for me, living in the central part of the State, to say very much about the banking interests of our great State. I will say that I believe the banks are generally in a solvent and prosperous condition. Money is plentiful and too cheap to make it as profitable as some would like to have it, for in New York city the rates of interest are from one to one and a half on call loans, and good short mercantile paper finds purchasers at two and four per cent. Notwithstanding these low rates, the magnitude of the business enables the bankers of the city, by careful management, to return fair dividends to their stockholders. In the smaller cities of the State, the rate of interest is higher, because, with their limited amount of business, they could not exist at the city rate. Yet all through the State money is plentiful, and no industry is languishing for want of it. I feel justified in saying that we are now entering upon a better and more prosperous time, and I trust that whatever may be done in this Convention may be of such a character as to inspire confidence, and help on the prosperity which is just dawning. (Applause.)

NORTH CAROLINA.

Joseph G. Brown, of Raleigh : Mr. President—Like all sections of our country, North Carolina has of course suffered from the long period of depression and the spirit of unrest and discontent that has so largely prevailed ; but, because perhaps of the great conservatism of our people, these things have not affected us so disastrously as they seem to have affected many sections. They have taught us economy, they have kept us from the burden of debt, they have forced us to work hard, to live close, and to make our own supplies ; but these things have been for us a valuable lesson, though perhaps a hard one. The way has sometimes seemed dark and almost impenetrable ; but, thank Heaven, we are now beginning to see the brightening of the dawn and are confidently looking forward to the bursting of that full-orbed sun of prosperity upon our vision, of which our honored President told us yesterday. We know it is coming ; a kind Providence is leading. Gracious seasons of sunshine and rain have followed each other. Our people have worked industriously and now, while reports of short crops are coming in from other lands, our fields are rich with ripening and ripened grain ; fruit and flowers are making our land beautiful, our broad acres of cotton are already presenting their silvery sheen to the face of heaven, and our happy farmers already rejoicing over the anticipated jingling of the dollars their ripening bolls will soon begin to bring them, and over the happy fact, too, that every dollar will be worth full 100 cents. With teeming crops, a big foreign demand for our products, a good dollar and a joyous, expectant people, what can longer retard the coming of that wave of prosperity of which we have heard so much ?

I am glad, Mr. President, to be able to report the recent organization of a State association in North Carolina, which we feel brings us into closer touch with this general Association and from which we expect great benefit. I am glad, too, to report our banks in excellent condition. We have a good State system, which is carefully guarded. Around it are thrown many of the restrictions of the National system. But few of our banks are speculative ; their management in the main has been prudent and conservative. We have no large banks, though large enough, possibly, for the needs of our people. We have no large cities—I wish we had one large enough to fittingly entertain this Association. We would like for our people to see such a body of representative men and of beautiful women, and we would like for you, my friends, to visit God's own land and to mingle with the inhabitants thereof. We would like to give you a taste of North Carolina hospitality, in which I verily believe we can almost equal the rich hospitality which we are receiving at the hands of our friends in this beautiful City of the Straits.

We love to talk of North Carolina, Mr. President ; we feel that we have reason to be proud of her. Not, to be sure, because of her crowded population, for we have room yet for many more ; nor yet for the vast extent of her domain, for we are not a large State. Indeed, because of our peculiar shape, we have been called "a strip of land between two States." Our average width is only one hundred miles, but from east to west we extend full five hundred miles, and downward, towards China, I am told, about eight thousand miles. For this latter fact, however, I cannot vouch, this distance never having been accurately measured.

Turn us upside down, use our western mountain peak as a pivot, twirl us about, and, as we swing around the circle, the waving rice fields of North Carolina will scatter their pearly grains upon the waters of these Great lakes about us, along and beyond the valley of the majestic Mississippi, and upon the bosom of the gulf, whose waters lave the shores of our far Southland. Beginning with the Atlantic slope, she extends westward and upward until her mountains, with their eternally snow-capped peaks, penetrate the clouds and kiss the eternal blue above, and from this eminence, all along back to the coast, her fertile hills and valleys produce all the fruits of the earth, her vast forests present every variety of timber, and her mines of gems and precious stones, of silver and gold, of coal and iron. Sunny Italy has no climate she cannot duplicate. The rich and health-giving ozone from her pines starts the blood coursing luxuriantly again through the veins of the invalid, gives back the roses to his cheek, the sparkle to his eye, and vigor and elasticity to his step, and makes him feel, as he breathes her fresh, pure air, and feels again life's rich, glad blood surging through his veins, that simply to live (in North Carolina, of course), is incomparably the greatest boon God gives to man. Her men are brave and gallant, and her women modest and beautiful; and all her people open-handed and open-hearted, and with a warm brotherly love for all the people of this Union.

Again, Mr. President, we regret we cannot urge you to come in a body, but we do say, come one and all and we will show you a spot as fair and as beautiful as any the sun ever shone upon, a people who are whole-souled and generous, and assure you of a welcome, warm and cordial.

OHIO.

M. M. White, of Cincinnati: I am glad to respond for one of the sisterhood of States. Ohio may be likened unto one of the daughters of Job, of whom it is said there were none so fair in all the land.

I shall not consume your time by speaking of the vast resources of the State of Ohio. It has everything that every other State in the Union has—rich soil, agricultural products, timber and mines of iron and coal. When the United States wanted a Moses to lead the people out of four years of despair, of misfortune and failure, why they had to look to Ohio, (applause) and Ohio was able to furnish the man. Silver men are very scarce in our State, (applause) and looking forward to the future it is plain to see good times have come to stay. (Applause.)

PENNSYLVANIA.

James H. Willock, of Pittsburg: Mr. President and Gentlemen—Owing to the unavoidable absence of our Vice-President, I am to respond for Pennsylvania.

We have found debtors unusually honest, willing and anxious to pay their debts, and creditors have been just as lenient. Yet there are some who try to evade the payment of their just obligations, and in order to curb the proclivities of this class the bankers of Pennsylvania petitioned the Legislature to adopt the following Acts, and I am happy to say that our efforts were crowned with success. I believe Pennsylvania is the only State that has such Acts on her statute books, and I suggest that the bankers' associations of the various States emulate the example of our association.

I ask leave to hand up to the Secretary, to be printed as my remarks, the following:

No. 158.

An Act to prevent fraudulent preferences by insolvent debtors, and providing a punishment therefor.

Section 1. *Be it enacted, etc.* That if any person shall confess or authorize the confession of a judgment against himself, or against any co-partnership, corporation or association represented by him, in favor of one not a *bona fide* creditor, with intent to defraud his creditors, or any of them, or the creditors of such co-partnership, corporation or association, or any of them, such person shall be guilty of a misdemeanor, and on conviction thereof be sentenced to pay a fine not exceeding one thousand dollars, and to undergo an imprisonment not exceeding two years, or either or both, at the discretion of the court.

Sec. 2. All laws, or parts of laws, inconsistent herewith, are hereby repealed.

Approved the 23d day of June, A. D. 1897.

Daniel H. Hastings.

The foregoing is a true and correct copy of the Act of the General Assembly, No. 158.

No. 191.

A **supplement** to an Act of the General Assembly, approved the 17th day of March, Anno Domini One Thousand Eight Hundred and Sixty-nine, entitled "An Act relative to fraudulent debtors," authorizing the courts to inquire into the validity of judgment confessed and alleged to be fraudulent, and providing the practice therefor.

Section 1. *Be it enacted, etc.* That in any case in which a judgment has been or shall hereafter be confessed in any court of record in this Commonwealth, and upon which an execution has been or shall hereafter be issued, any creditor of the person or party against whom such judgment has been confessed, shall have the right to apply, by petition, to the proper court for a rule on the plaintiff in such execution to show cause why the validity of the judgment should not forthwith be inquired into and the same set aside, and that such execution be stayed pending such inquiry; providing, it is alleged in the petition for such rule that the creditor applying for the same has reason to believe that such judgment is invalid and fraudulent, and expects to be able to establish such fact at the hearing of said rule. And the court shall thereupon grant such rule and direct that the hearing thereof shall be within not less than three days nor more than five days from the granting of same, unless the court be of the opinion that a longer time for such performance be necessary, and on the hearing of such rule the person or party against whom said judgment was confessed, as well as the person or party in whose favor same has been confessed, or other person having knowledge, may be called and examined, under oath, before the court for the purpose of disclosing the consideration of the note or other instrument under which said judgment was confessed, and all other matters relating to the validity and *bona fides* of such judgment; and at the conclusion of such hearing the court shall make an order either setting aside such judgment, or dismissing the proceedings or such other order, as in the opinion of the court the testimony will warrant; but if either or any of the parties desire any matter of fact that is affirmed by the one and denied by the other to be tried by a jury, an issue shall be framed, and the same tried accordingly, pending which proceedings the lien of any levy made under said execution shall be preserved. In case any perishable goods or property liable to deteriorate in value shall be levied upon, it shall be lawful for the court, if in session, or for any judge thereof in vacation, on the application of the judgment creditor, or of the petitioning creditor, to order same to be sold by the sheriff, and the money arising from such sale shall be received by the sheriff and be thereafter paid to such persons or claimants as the court may order and direct; provided, however, that before the court shall grant such rule to show cause, the applicant therefor shall give a bond with sufficient surety to be approved by the court, in such amount as the court shall direct, conditioned that all costs incurred in such proceedings and damages sustained by the plaintiff in such judgment by reason thereof, shall be paid if the rule be discharged or the proceedings dismissed.

Sec. 2. No person shall be excused from answering as a witness as to any matter relating to the inquiry under the rule authorized by the preceding section; but no such answer shall be used in evidence in any other suit or prosecution.

Sec. 3. That all Acts or parts of Acts inconsistent herewith are hereby repealed.

Approved the 9th day of July, A. D. 1897.

Daniel H. Hastings.

The foregoing is a true and correct copy of the Act of the General Assembly, No. 191.

SOUTH CAROLINA.

Robert M. Wallace, of Sumter: Mr. President and Gentlemen—I had prepared no remarks for this occasion, and therefore what I say may seem somewhat erratic. There is scarcely a district in the State that does not boast a cotton mill, is not building one, and manufacturing enterprises are being pushed from day to day. Our banks are all prosperous and solvent. (Applause.) The farmers are like what the doctors say of a convalescent patient, they are getting irritable, and therefore getting well. To be sure, for several years we had cyclones and bad weather for farmers, but during the past year, through good management, planting by their own resources, the farmers have been successful, and obtained good prices, and they have gotten into that hopeful condition where they are getting to be very independent. The banks are having good deposits, made up chiefly from the working classes, both farmers and mechanics. Their dividends are paid regularly every year, varying from six to ten per cent. Our climate, gentlemen, is such as I think would have done honor to the Garden of Eden. Come down and see us. (Applause.)

TENNESSEE.

JOHN W. FAXON, of Chattanoga: Mr. President—It is peculiarly refreshing to me to note that the wave of prosperity has kissed the borders of Tennessee and is rapidly making its presence known in every city, town and hamlet of the State. There are some people dwelling in that terribly politically punished State who will laugh at my rejoicing and will continue to yell "hard times" into the ears of every stranger who comes within our gates. The class I have just referred to will never believe that good fortune has again smiled upon us until they are enabled during the visit of one of the crazy cycles of time, which we have so recently witnessed, to buy up country farms several miles from the cities in which they dwell, at $5 per acre, cut them up into city lots and retail them out to wealthy suckers at from $50 to $100 a foot. (Laughter.) "A burnt child may naturally dread the fire," and it will be at least a quarter of a century before the crop of illustrious "boomers" again appear upon the scene of action.

To-day, compared with three years ago, presents to the bankers of Tennessee a much better financial condition. Then nearly 80 per cent. of the collections forwarded by the banks for their customers were returned unpaid, while to-day not over five per cent. are refused. This is a fine indication of the prosperous condition of the people.

The popular "Bryanism," a sort of catch-word during the last campaign—that the "price of silver governs the price of wheat," has proven to be as untrue as it is nonsensical. (Applause.)

I propose an aphorism, sir, which I would not dare to speak out loud in a Democratic National Convention for fear that I would be immediately nominated for President of the United States. (Laughter.) A smaller and less truthful saying than this secured for a common, ordinary newspaper writer about 6,000,000 votes for the office of President. I state, sir, without fear of contradiction, that the rise and fall in the Chattahooche River controls the price of Georgia watermelons. (Laughter.) I see, by the complacent smile on your countenance, Mr. President, that you doubt this statement. I propose to prove it to you much clearer than the Bryanites have proved their silver and wheat theory. When the Chattahooche River rises, the farmers can float their watermelons to market and produce a glut which cheapens the esculent fruit. When the river falls, the fruit stays at home and the market is short. Another evidence of the truth of the law of "supply and demand." I claim a copyright on this new axiom.

I wish, sir, I had the facts at hand to give you the true condition of all the banks of Tennessee. As the private and State banks are not required to publish reports of their condition, it is impossible for me to furnish any such information. I hope the time is not far off when every bank in this country will furnish these statements. It is due to the people and to a truthful history of finance.

There are 203 banks, bankers and brokers in Tennessee. Forty-nine of these are National banks. Since the National bank law went into effect, seventy-eight National banks have been chartered in Tennessee. Of this number, twenty-two went into voluntary liquidation while only seven in thirty-seven years have proved to be insolvent.

The above facts are from Comptroller Eckels' report of May 14, 1897. I have also compiled from the Report of the Comptroller of the Currency consolidated statements of condition of the National banks of May 14, 1897, the fact that in 1865 Tennessee had $4,846,350 of banking capital, and $1,012,425 in loans. In 1895 the State had $21,993,144 in banking capital, and $18,310,795 in loans.

The average per capita of banking funds in 1896 was $13.56.

The specie held by National banks alone May 14, 1897, was as follows:

Gold coin	$1,240,772	
Gold treasury certificates	107,310	
Total gold		$1,348,082
Silver dollars	$181,928	
Silver treasury certificates	472,950	
Fractional silver	97,804	
Total silver		$752,682
Total gold and silver in National banks of Tennessee, May 14, 1897		$2,100,764

Remember this is only a report of forty-nine out of 203 banks in Tennessee. If the other 154 banks would issue statements we could arrive at the true financial condition of the banks of Tennessee.

I have also consolidated all of the reports of the National banks of Tennessee as published in the report of the Comptroller of the Currency, May 14, 1897, which is as follows:

RESOURCES.		
Loans and discounts		$18,962,566.12
Overdrafts		852,644.18
U. S. bonds to secure circulation	$1,796,250.00	
U. S. bonds to secure deposits	300,000.00	
U. S. bonds on hand	100,000.00	2,196,250.00
Premium on U. S. bonds		156,742.87
Stocks, securities, judgments, claims, etc.		1,301,527.11
Banking house furniture and fixtures	967,159.71	
Other real estate and mortgages owned	768,449.71	1,735,609.34
Due from other National banks	1,345,211.23	
Due from State and private banks and bankers	382,936.39	
Due from approved reserve agents	2,578,872.76	4,307,020.38
Checks and other items	158,394.10	
Exchange for clearing-house	209,657.67	
Notes of other National banks	887,069.00	
Nickels and cents	17,961.54	
Specie	2,100,764.00	
Legal-tender notes	1,586,649.00	4,483,515.31
Five per cent. redemption fund		77,527.00
Due from U. S. Treasurer		17,550.00
		$33,562,952.61

LIABILITIES.		
Capital stock paid in		$8,760,000.00
Surplus fund	$1,910,211.55	
Undivided profits	856,321.95	2,766,533.50
National bank notes outstanding		1,527,817.50
Due to other National banks	983,545.11	
Due to State and private banks	2,025,942.59	
Due to approved reserve agents	32,110.98	3,041,598.68
Individual deposits		16,850,635.88
U. S. deposits		151,065.67
Deposits U. S. disbursing officers		139,123.79
Notes and bills re-discounted	60,292.84	
Bills payable	257,000.00	317,292.84
Other liabilities		5,368.75
Dividends unpaid		3,496.00
		$33,562,952.61

A movement is now on foot in Tennessee to enforce all banks (National and State) which are supposed to charge over six per cent. interest on their loans, to pay into the State treasury the privilege tax as "note shavers," which I am informed is $90 per annum. It is understood that the banks will contest the tax. The National banks are not liable, in accordance with the rulings of the Supreme Court of Tennessee, for a privilege tax, and it is claimed that to levy a tax permitting the banks of Tennessee whether banks or note shavers, to charge over six per cent. interest on loans, will be licensing crime and will declare the usury law in Tennessee a nullity. (Applause.)

TEXAS.

CHARLES F. SMITH, of McGregor: Gentlemen—If I attempted to cover the whole of Texas you can imagine how I would have to spread myself. However, if you sum up all that has been said here about the different States, put them all together, you will find them all in the State of Texas. Come down to Texas and make us a visit, and we will give you a little ride of one thousand miles straightaway, and show you everything that you can call for. (Applause.)

VIRGINIA.

WALTER H. TAYLOR, of Norfolk: I do not know that I have much of anything to remark of special interest. Speaking of the cities generally, I will say that trade is healthy. Speaking of the agricultural section from which I come, we are feeling the evidences of prosperity. I think, however, I should be lacking in candor if I did not say that there is a continuance of that discontent that has been apparent among us for the past few years. I welcome such a gathering as this, especially because of the fact that it brings together representative men from all sections of this great country, and has the effect of enabling us to do what we can in the way of shaping public opinion so that we may have legislation which will remove the lack of confidence that exists among some of our people. We can do this without any great violation or departure from the great fundamental principles of honesty and stability which should underlie every financial system. (Applause.)

WEST VIRGINIA.

JOSEPH E. SANDS, of Fairmont: Mr. President, Ladies and Gentlemen—We had a gentleman appointed to make a speech on this occasion, but he has failed to put in an appearance, and those mountaineers must be represented, if I have to do it.

West Virginia is a new State, comparatively. It was born through the throes of the great Civil War, and was torn, as it were, from the bosom of the State of Virginia. Notwithstanding this, she is rapidly forging her way to the front. West Virginia stood up for sound money, and she sends you her greetings today, and trusts you will all come down there and we will sell you a coal bank or a gas well, or an oil well, at any time, cheap. (Applause.)

WISCONSIN.

A. J. FRAME, of Waukesha: A year ago at St. Louis only three banks from Wisconsin were represented in this Convention. The blight of uncertainty upon us, and the comedy of sixteen errors to one truth, was being waged for our decision. Wisconsin turned down that heresy by over one hundred thousand plurality. To-day eighteen bankers from Wisconsin are represented in this Convention. Peace prevails. The people are at work, instead of serving their country with their mouths. Better conditions prevail. If the people prosper, banks prosper likewise. Indeed, the dawn of better days seems approaching. (Applause.)

THE PRESIDENT: Ladies and gentlemen, I now have the extreme pleasure of introducing to you James H. Eckels, the Comptroller of the Currency. (Applause.)

THE NEED OF CURRENCY LEGISLATION.—ADDRESS OF HON. JAMES H. ECKELS, COMPTROLLER OF THE CURRENCY.

I appreciate the compliment paid me by the American Bankers' Association in again making me its guest and inviting me to address its members. I do not, however, flatter myself that upon the questions of banking and currency reform, which have long been of public moment, I can either throw any new light or adduce any new facts. They have so much engaged public attention and provoked public dispute that, at the best, all arguments are now but a re-arrangement of propositions already laid down and all facts given but a restatement of those already known. The wisdom and strength of their continual iteration lies in emphasizing, through such a course, the necessity of remedying the patent evils of a financial system of which all complain. The time for such action could not be more opportune. The country stands rid, for some years at least, of tariff agitation, and irrespective of the merits or demerits of the new Act, every business man knows, in so far as it is concerned, upon what basis to engage in manufacturing, trade and commerce. The evidence accumulates with each day's advices that the long-continued depression in financial circles has passed, and, thanks to five years of forced economy and cessation of speculation, coupled with to-day's abundant harvests at remunerative prices to the agriculturist, a new prosperity is coming to the people. This prosperity, if it is to be of real worth, ought to be permanent in character and reach to all classes and interests.

It demands to this end co-operation on the part of every citizen of the republic, whether he fills a public or private station. Otherwise it will be, as in the past, law-made in every feature of it, finding fruition in immeasurably worse conditions than have been upon us. No thoughtful student of affairs can fail to know how largely as a contributing element to all the past idleness, agitation, distress and poverty has been the extravagance which has entered into the American's everyday life. It has reached to both his public and his private affairs and in its full effect has been a menace to the country's welfare. I do not indulge in an unwarranted assertion when I say that much of this must be chargeable to the overspeculation which in the years prior to 1893 flowed from the unwholesome cheapening of credit on the part of those who have had to do, in a controlling capacity, with the moneyed institutions of the country. There is a point in competition between banking institutions which lies beyond the danger line and when touched invariably results in complete collapse. The fact cannot be too strongly stated or the truth made too pronounced of the responsibility resting upon the banker of keeping within legitimate bounds the activities of trade, the operations of the speculator and the standard of public and private expenditure. It is by his aid that enterprise is fostered and through the lending of the funds entrusted to his keeping that industry becomes profitable and labor finds employment. His rule of safety lies in a conservatism that is healthful and a prudence based upon careful investigation and analysis. He cannot stand sponsor for and endorse speculative programmes without involving many institutions in bankruptcy and bringing condemnation upon the profession which he should honor. If he recklessly loans to all who apply, solely to have his funds employed, he invites disaster. When he abandons, on the plea of being pressed by competitors, the gaining of the legitimate profits of banking and enters upon the practice of paying excessive rates of interest on deposits, fails to charge for exchange and collections and otherwise violates the rules of sound banking, he is driven, that the shareholder may have dividends, to invest in undertakings which have no proper place in the business of a commercial bank, to the loss of all concerned. The standard of a banker's integrity, prudence and economy, and the standard of the relation which he bears to his fellows, ought to be placed upon the very highest plane, for of all men in a community he occupies the one place where are given within his keeping, in the largest measure, the business interests of those about him. The profession of banking cannot afford to have its members base their acts and rights upon the bare technicalities of the law. There is always danger when a banker construes his relation to his depositor in the naked legal light of merely being a borrower from a depositor and that depositor merely a lender. If this be the legal status, no banker who has a proper conception of his duty and is worthy of his profession, should find refuge in defense of his acts within such narrow confines. Despite the legal limitation of the case, there enters into that relation the position of trustee bound by all the sense of honor which underlies every fiduciary obligation. The future success of commercial banking must rest upon these lines. When it is placed upon this level there will be no cause for anxiety among depositors and no demonstration on the part of the public in the most trying time of a sense of shock when a bank failure is announced.

The criticism which may justly be passed upon commercial bankers in this country is, not that they have not observed this fiduciary relation in the great majority of instances, but because, in the anxiety to declare dividends upon capital invested, there has been a wide departure from doing a commercial business. The line to be drawn in the extension of credit is not hard of ascertainment. A bank dealing with commercial deposits should confine its granting of credits to strictly commercial undertakings. It has no right to take commercial deposits payable upon demand, if it pursue a different policy. Fixed loans and fixed investments are the province of trust companies and savings institutions, and not the field to be entered upon by a commercial bank, handling commercial deposits, essential to the proper conduct of daily commercial business. I am confident that if this line of demarcation was drawn, instead of there being many bank failures because of an accumulation of unconvertible assets, there would be few, and then largely through criminal dishonesties.

But outside of these acts of a business character to be performed largely by the banker, in bettering conditions, there are weaknesses in the business world, beyond the corrective power of any private citizen, which must be eradicated if the hope of better things is fully justified. These found their origin in statutory enactment and their undoing lies solely with the legislative body. The currency problem is, taking it by the large, the most momentous with which the American statesman has to do. It is one neither of politics nor political preferment. It is, as bankers more than all others ought to realize, one of business self-preservation and as such should command at the hands of those who are sworn to guard and preserve the people's rights a statesmanship and patriotism commensurate with the magnitude of the interests involved. It ought, as well, to enlist a public sentiment that would bring a swift punishment upon those who attempt to make it the plaything of party desires and the subject of mere political oratory. There is no political legerdemain by which political prestidigitators can deceive the public and substitute without the act being inquired into, other issues, for that of sound currency. Neither one nor all of them is of such vital importance as this, which reaches to the nation's and the individual's credit. At the bottom of the currency question in its last analysis lies that of credit and the esteem in which the nation is held both at home and abroad.

"History," it is said, "bears evidence that the power of credit will henceforth decide finally the great contests of the world." Under such a truth it is "a blunder worse than a crime" in those clothed with the power of action to defer, whether from motives of political strategy, indifference or timidity, taking such steps as will give to the country monetary laws that will strengthen and not weaken its financial standing and comport with its true power and dignity.

One of the world's most distinguished philosophic historians has declared that "the indispensable thing for a politician is a knowledge of political economy and history." If the statement be correct, a review of the currency legislation of the United States for a third of a century demonstrates how few if any politicians in the historian's sense have had to do with it. In all its range evidence is everywhere to be had of a disregard of the underlying principles of political economy and a woeful ignorance of the facts of monetary history. An analysis of its parts bears testimony to the truth of the assertion. A consideration of the whole places it beyond cavil. That which we term our currency system is one in name only. It lacks every element of what rightfully can be called a system. It violates in every essential feature what in all other departments of governmental affairs we denominate a system. It is not an orderly combination of parts into a whole, according to some rational principle or organic idea. Everywhere there is a want of unity, and instead of presenting to the world financial completeness, it exhibits itself as a work of "shreds and patches."

I am not unmindful that some of the evils of it found their origin in the flush and excitement of a great war, when men yielded their better judgment to what seemed the demands of patriotism and sanctioned currency legislation that under other and different circumstances they would never have consented should find place upon the statute books. But the era of the war long ago passed away and since that day, through three decades of peace, legislative bodies of varying political faith have convened at the country's capital, but yet the currency laws are still inharmonious, productive of loss to every citizen and a cause of anxiety to the nation's executive officers. We have had currency legislation, some of it bearing promise of working out the country's financial salvation, but in many such instances it has been changed and amended into that which has made it an engine for harm. The citizen who studies the ways of governments and inquires into the operations of financial laws, might tolerate during the war period, with some degree of patience, as did the son of the great financier, Albert Gallatin, the sobriquet of "an odd fish," as applied to him by a member of Congress in 1862, when he opposed the doctrine of currency fiatism, but thirty years after its close he has right to complain when currency fiatism in silver and paper issues of the Government are still sanctioned by legislative enactment. Nowhere in any nation of equal importance is there to be found a currency and financial system so inadequate for the purposes to be accomplished as here. It presents in its circulation feature the singular spectacle of nine different kinds of currency, all except two of which are directly or indirectly dependent upon the credit of the United States. The Treasury Department established by it is the greatest banking institution in the land, clothed with the least powers for self-preservation and beneficial action. One statute requires the Secretary of the Treasury to redeem the legal-tender notes in coin on presentation, and another compels him to pay them out that they may return again and again for redemption. Upon every hand, the laws of the land make it an embarrassment to the profitable conduct of the business affairs of the country. It adds to the embarrassment by the forced inflation of the volume of the circulating medium at one time and the forced contraction through the operation of the sub-Treasury system at another. Its only source of strength lies in the believed forbearance of attack upon its solvency by those who hold its obligations. Designing to have banks, created under it and subject to governmental supervision, supply the currency needs of the country, it still insists on competing with them in their note-issuing function and prevents through tax and other barriers which the law erects, accomplishing the very purpose for which they were brought into being.

By the operation of the Bland-Allison Act was caused the coining of many millions of silver dollars at a value far more than the commercial value of the silver metal in them and of far less value than the metal in the gold dollar with which it is provided they shall be of equal legal-tender value and alongside of which they are expected to circulate. And as if to add the crowning act to a series of complications already perplexing to an unheard of degree, the Sherman law has given us still other silver dollars and Treasury notes to burden an already over-burdened gold reserve, without in the smallest measure adding to its safeguards. We search in vain to find some solid foundation upon which all this structure rests, but the statute books reveal nothing, save that there is drawn about it what is deemed "the sacred circle" of governmental protection, in the declaration ostentatiously made, that it is "the established policy of the United States to maintain the two metals at a parity with each other upon the present legal ratio or such ratio as may be provided by law." The declaration is then made and then to proclaim the sham and pretense of it the Secretary of the Treasury is denied the full and adequate power necessary to enable him under any and all circumstances to enforce that policy to the credit of the nation and with the least expense to the citizen.

In the contemplation of a series of contradictions and inconsistencies so incongruous the business men of the nation may well decry currency laws so irrational and demand a speedy remedying of them at the hands of the enacting power. No stronger evidence could be had that the whole system is radically wrong and weakening to the financial world than the fact that here and everywhere, as it now stands, it is the one great subject of discussion and debate. No one is decrying our form of Goverment, because all recognize the inherent correctness of the principles upon which it rests. Our system of jurisprudence is beyond question, and neither in legislative hall nor in the columns of the press is it assailed. But the private citizen in business, the national legislator and executive officers of the Government are all confessing by their daily acts and conversation that this one first essential to a people's prosperity, so far from being sound, is absolutely weak and dangerous. It would be foolish to undertake to conceal that the source of our difficulties which has blighted the past confronts the present and threatens the future, lies in the fear that the United States cannot in the face of existing laws maintain unswervingly the gold standard as its unit of value. The faintest suspicion that it will not be able now or in the future to meet its obligations in conformity with that fine sense of financial integrity which has heretofore been observed, would again give the business world such a shock as to cause a deadening of reviving industry and destroy returning prosperity. There is no relief from this situation in the great individual wealth of the individual citizen nor in his individual desire to maintain his credit. The unlimited resources of the country and the unbounded energies of the people are equally unavailing in giving aid and comfort. The fault lies in the Government's financial system and not in the rule of conduct which guides the individual as an individual. Until the national fault is eradicated the citizen must continue to suffer for his country's folly, both in purse and in reputation. The boastful plea of the sustaining power of patriotism, as applied to the country's currency issues, in time of a financial stress is of no avail. A great government's fiscal operations cannot be conducted simply on patriotism, nor can they be based upon sentiment. The Government lacks in dignity when it puts itself in a position where it is either a mendicant asking aid from private citizens or a weakling at their mercy. It possibly may be a bad thing from the patriot's standpoint to present for redemption the currency demand obligations which the Treasury under the mandate of the law sends forth, at a time when the Government is financially embarrassed, but the act is a business one and is governed by business reasons. The Treasury Department should be in such a condition that it would not find it necessary for its protection to have the citizen eliminate all the elements of human selfishness when dealing with it. In order to inspire confidence it must stand upon the same footing as any other business establishment, ready and willing to pay the Goverment's debts without asking leniency from its creditors, and at no time having a larger liability outstanding than it is able to liquidate. It certainly ought not to insist on voluntarily furnishing the means for its own destruction and then complain if those means are employed and danger threatened.

The citizen who notes the trend of events must see that the cloud upon the beautiful horizon, which we count as already ours, is the ambiguity in governmental contracts introduced by the legal-tender issues. These issues are condemned by the student of finance familiar with the world's monetary history, and with equal emphasis by the man of affairs trained in the school of business. In their operation they constitute the strongest hope of the advocates of the free coinage of silver, thus working a double hindrance to the return of complete and lasting prosperity. The advocate of the free coinage of silver believes that through them a silver basis must ultimately be reached, and because of this resists their payment and cancellation, unless silver dollars at a ratio of sixteen to one be substituted in their stead. He protests with equal vehemence against their conversion into absolute gold certificates in explicit terms. In their present position and treatment they compel the interests of trade and the cause of labor, the undertaking of the manufacturer, all to give "hostages to fortune."

Those who now assert that they are a patriotic emblem of the war and unchanged must remain "the people's money," should study the history of their creation and their effect upon the country's welfare. They are demand obligations never retired, yielding to no ordinary rules of trade necessities in expansion or contraction in volume. In the very terms of the contract which is borne upon their face are uncertainty and doubt, causing from their inception loss and expense to the people. They at once enhanced the cost of the Civil War and prematurely drove the country from a specie basis to one, for many years, of irredeemable paper. At the time they were first sent forth their most ardent advocate apologized for their issue and promised a quick payment and cancellation. As an earnest of the then formed and announced intention they were for a time made convertible into an interest-bearing bond. Had it not been for the untoward circumstances surrounding the Government not a dozen votes could have been obtained in either the Senate or the House for the legal-tender principle which they embodied. Secretary Chase was dragooned through what he mistakably believed to be dire necessity into giving official sanction to them. He flatly declined to advocate their issue in his report to Congress, and in his capacity of Chief Justice of the Supreme Court of the United States repudiated as unconstitutional the legal-tender quality attaching to them. It was stated and uncontradicted at the time that prior to the Act of 1862 not only was such a law never passed, but such a law was never voted upon, never proposed, never introduced, never recommended by any department of the Government, and that such a measure was never seriously entertained in debate in either branch of Congress. The present senior Senator from Vermont, Mr. Justin N. Morrill, then a member of the Committee on Ways and Means of the House, in an extremely able speech denounced them as "the precursor of a prolific brood of promises," and the bill as "a measure not blessed by one sound precedent and damned by all." His prediction of thirty-five years ago and his characterization of them have been fully justified by the series of events which have marked our history since that time, and to-day, as he recurs to the words then spoken, he must take melancholy satisfaction in the knowledge that his statesmanship, unlike that of some others of that era, was sufficient to see beyond the pressing demands of a single hour of the nation's life.

The temporary issues of that day, despite the appeals of the Chief Executives and Secretaries of the Treasury, are yet a part of the fixed volume of our currency. From first to last they have been the greatest burden and most expensive debt ever placed upon the Government. The loss to the people through speculation engendered by them, the financial heresies to which they have given birth, the damage to individual enterprise and credit through the recurring doubt as to the ability or willingness of the Government to maintain their payment in gold, cannot be reckoned in figures. But every panic we have had and every stagnation in business which has come upon us in recent years, mark their distinctive influence.

It is asserted that when the revenues of the Government exceed its necessary expenditures no further trouble will follow, and the argument based upon former conditions under a plethora of money in the Treasury is advanced in support of the contention. It is forgotten, however, how greatly the burden placed upon the Treasury has been increased through silver purchases and issues, and how, under existing conditions of to-day, the Treasury has no gold income from the ordinary channels of receipts. The difficulty is a more far-reaching one than mere lack of revenue. It touches the vital point in trenching upon the confidence of those dealing with us in our ability and continuing determination to maintain gold payments. Complete confidence cannot be restored by increasing the governmental income, but even if it could there would be no guarantee against future impairment of it through the same cause. That danger can only be eliminated by rendering it impossible to have the Treasury the one source of gold supply for the people of every nation. It is not sufficient to have our currency good to-day, but an earnest must be given that it will be good to-morrow and throughout the future. That promise cannot be accepted unless legislative action once for all establish beyond the peradventure of a doubt that ours is a gold-standard country with laws establishing the fact so plain "that he who runs may read," and with a Treasury so equipped and resourceful as to be unmoved, no matter how strongly assaulted. It will not be fully credited as long as it is but the policy of an executive officer, and not the uncontradicted expression of statutory law.

I am aware that all this cannot be brought about without a struggle. It rests with the nation's law-making powers to say whether the people shall be freed from this "body of death" or whether they shall still continue to carry it. The people at the polls declared, after a campaign which knew no other issue, for complete emancipation. But from those who stand within the inner circle of legislative action the announcement comes that nothing can be done unless concessions are made to interests, the harmful results of which no man can foretell. If such be the truth, the duty is placed upon every citizen who has his country's good at heart and would put an end to the losses so long entailed upon his fellows, to raise his voice in protest against either inaction or concession and thus make the country's declaration at the polls more than a barren victory. With the American people the most potent force for good is the might of public opinion. Against the power of it when once aroused no legislator has ever yet been able to stand, no matter how loud his boastful threats or arrogant his demeanor. Enforced by it the repeal of a statute that was defended for weeks by those who proclaimed that there never could be with them either compromise or surrender, was wrung from unwilling and hostile legislators. It did erase the Sherman silver-purchasing Act. It will accomplish no less to-day for the welfare of the citizen if it is again as earnestly appealed to.

I, myself, have never in the past wavered in the belief, nor do I now, that in the end we will be possessed of a banking and currency system so strong as to make impregnable the country's credit. Its coming may be long delayed and only be attained after a tremendous loss to capital and injury to labor. It was the misery and distress entailed by the assignats and mandats of the French Revolution that placed France upon the solid rock of sound finance. It took the threatened starvation of the peasantry of a great nation to wipe out the corn laws of England, but the victory when obtained was complete. And thus, in conformity with the course of history, it is possible that before the nation's financial structure rests upon a foundation "firm as the eternal hills" the American people will be called upon to pass through the awful experience and loss which would follow in the wake of unchecked paper and silver flatism. But at last, no matter how prolonged the struggle or great the suffering, with the acquiescence of all, the monetary principles which accord with the world's business experience, all financial research, and every dictate of common honesty, will here prevail in complete and enduring triumph. (Applause.)

WILLIAM H. RHAWN: I move that the thanks of this Association be tendered to Hon. James H. Eckels for his great speech. (Applause.)

The motion was seconded, and carried by a rising vote.

E. J. PARKER, of Quincy, Ill.: In order to clinch the nail so elegantly driven by the Comptroller of the Currency, I desire to offer a resolution which will not involve a moment's discussion:

***Resolved,* That the President and Secretary of this Association be, and they are hereby, instructed to telegraph the greetings of this Association to the Executive Committee of the Indianapolis Monetary Conference, now in session at Saratoga, N. Y., and to state that this Association endorses their action and will endorse their action by appointing to-day a non-partisan commission to take into consideration the question of the reform of the monetary laws of the United States.**

WILLIAM C. CORNWELL: I second the adoption of that resolution.

THE PRESIDENT: All in favor of the adoption of the resolution just read, will manifest it by saying, aye; opposed, no. Adopted.

THE PRESIDENT: We will now take up the discussion on the programme, entitled, "Is a Credit Bureau, or Bureau of Information, to Prevent Losses from Bad Debts, Feasible among Banks?" Captain Leathers, of Louisville, is unavoidably absent, but his paper will be read by Mr. J. D. Powers.

IS A CREDIT BUREAU, OR BUREAU OF INFORMATION TO PREVENT LOSSES FROM BAD DEBTS, FEASIBLE AMONG BANKS?—BY JOHN H. LEATHERS OF LOUISVILLE, KY.

Mr. President and Gentlemen of the Association—It is my purpose to consider in this paper that branch of this subject only which pertains to transactions between banks. Proper and systematic co-operation in banking has become essential. Quite a large percentage of the losses sustained by banks in the money centers of the United States is due to the failure of banks throughout the country who borrow or rediscount with their city correspondents. Under the present system of banking, credit must be extended in these matters almost solely upon the faith of the lender in the soundness and reliability of the borrower. The difficulty in obtaining accurate information of paper offered for rediscount, as well as the collateral, which is usually of a local character, places the bank at a distance at the mercy of the borrower. There are periods in the history of many banks when it is not only necessary and important but wise to borrow temporarily from other banks. There are some banks perfectly good which borrow all the time, and the suggestions in this paper are not intended in any way as an argument against the propriety of banks making temporary loans when the exigencies of the case justify the wisdom of such a course. This character of lending should be the safest and most satisfactory that could be done. The rate is generally a low one because of the relations of the borrower to the lender, and also because of the belief that it is the best paper that can be secured, and it therefore becomes necessary that the fullest security and protection should be given to the lending bank, and every safeguard be thrown around such loans.

Were protection always freely given, banks desiring to borrow money would find no difficulty in obtaining it at all times, and the lending bank would supply the money not only at a low rate of interest, but with great promptitude. It might possibly follow, under the system which I suggest, that loans to banks would be more frequently refused; but if they are refused it would in most instances be better for the borrower itself, and the very refusal might stimulate efforts which would result in better methods. It is easier for banks to borrow money than any other corporations. Any reputable bank that keeps a fair account and carries a fair average balance can always borrow money, if is to be had at all, and always at a lower rate of interest than the general public. The very ease and readiness with which this can be done is the completest argument for the creation and maintenance of the fullest protection in such loans.

In money centers where the reserve and credit balances of banks are carried there are many financial institutions that do purely a local business; they neither solicit nor desire outside correspondents; and they would not, therefore, be directly interested in these methods of protecting banks which did make such loans; but if at an insignificant cost an agency can be created that could furnish banks which did make such loans with reliable information as to the standing of banks throughout the country, such agency would be highly beneficial to all the banking institutions of the United States, and would result in a saving to those institutions of an immense amount of money.

The close competition of banks has had a tendency to discourage the creation of an agency for common protection; but the frequent bank failures and the numerous instances in which the assets of the failed bank have been almost a total loss, renders it important at this time that steps shall be taken by which information may be obtained in regard to loans or rediscounts made by banks. The amount of these rediscounts, or loans, by any bank, if large, in many cases is immediate and conclusive evidence of poor management. Generally where trouble and loss have arisen those loans or rediscounts by banks have been conducted in such a way that information of their extent was next to impossible to obtain. Wherever a first-class institution is concerned there can be no good reason for the least unwillingness on its part to have the banks that are called on for money to know the real extent of the loans or rediscounts they have out.

Both State and National banks have transactions of this character, and the bank failures are not confined to either system, for both kinds alike have failed, and have entailed heavy losses alike upon lenders. No statutes so far have been able to arrest the speculative mania, or stay the progress of improper investments. To one or the other of these causes may be traced a majority of the failures that occur.

It may be assumed without possibility of contradiction that such a bureau or agency is desirable. The only question that presents itself is, is it feasible, and will the small amount required for the creation and maintenance of such an agency be justified by the benefits which will be derived therefrom. The utility of such an institution has by local experience been demonstrated, and that which has thus succeeded ought not to fail when extended over a wider area.

Hitherto the difficulty in securing the co-operation of all the banks where such an association has been proposed has stood in the way of complete success; but those familiar with the operation of these local associations have readily testified that the information obtained through that source has been of great benefit: and large losses have thus been prevented. The custom of banks in keeping accounts in different cities render loans or rediscounts by such banks easy, and the amounts obtainable large, and a failure of a bank rarely ever occurs where there has been any borrowing or rediscounting that those most largely interested were not surprised at the magnitude of the operations of the failed bank. Millions of dollars are loaned by banks to other banks, either by rediscounting paper, or by straight--out loans annually, and to protect these vast sums should invoke the wisdom and secure the co-operation of all banks which may at any time engage in such transactions.

Every good bank that may have occasion to borrow money will readily admit that the lending bank is entitled to every safeguard which can be afforded, and the borrowing bank should be willing to give it, and should furthermore be willing not only to put up good collateral, but plenty of it. It costs nothing to do this, and it comes back when the debt is paid.

In view of these conditions I have, therefore, the honor to submit a plan, and crude though it may be, still I hope it will at least serve as a starting point from which, under the guidance and experience and observation of this distinguished body, it will be possible to reach a result securing the end sought—namely, the greatest degree of safety to banks who make loans to other banks.

The plan I suggest is as follows:

First. That the American Bankers' Association shall establish a bureau of information for its members, to be known as the "Bankers' Credit Liability Association of the United States."

Second. The object of said association shall be the interchange of information concerning the indebtedness of banks to each other, and to provide against an undue expansion of credit, and to promote sound and healthy banking methods.

Third. Any bank or trust company that is a member of the American Bankers' Association shall be eligible to membership in, and shall be entitled to all the privileges of, the association upon payment of such reasonable dues as the association may prescribe.

Fourth. The principal office of said association shall be in the city of New York, and the secretary of the American Bankers' Association shall be the general secretary, or general manager of said association.

Fifth. The superintendent or manager of the clearing-house in each city of the United states may be appointed secretary or manager of said association for his city.

Sixth. The Executive Committee of the American Bankers' Association, or a special committee appointed by the Association for the purpose, shall formulate proper rules and regulations for carrying out the objects of this association. Said committee shall prepare a telegraphic code and all the necessary blanks for the use of the secretary in furnishing information in a uniform manner when called upon.

Seventh. The general manager and local manager of the Association shall receive such compensation for their services as may be agreed upon, and in proportion to the labor and time employed in filling said position.

Eighth. It shall be understood that in furnishing information to banks making inquiry through the association that the private business affairs of any bank shall not be disclosed to any other bank, but the total indebtedness of banks alone shall be given without the names of any creditor banks. The employing of the Bureau of the Association for the mere desire to satisfy curiosity or other improper motives shall be positively forbidden, and should be prevented by the strictest rules. The secretary of the bureau should have positive instructions to allow no one under any circumstances to see the returns, or to report what member of the bureau has made the inquiry, and that those reports should be guarded with the greatest protection to preserve them from the knowledge of disinterested parties, and from being used for some evil purpose.

Ninth. Any bank shall have the right to obtain a copy of any report made through the association that may apply for the same upon the payment of a small fee to the secretary furnishing the same.

Tenth. A classified list of the banks of the United States should be compiled and kept in the office of the general secretary, and, as far as possible, the names of their correspondents in the various cities where they keep accounts.

Eleventh. The manager of a sub-committee in each city should be appointed to explain the objects of the bureau, and endeavor to secure the membership and co-operation of banks that would have any interest in the work the bureau would undertake to do, and in this way a practical unanimity might be secured and the objects sought to be obtained by the bureau successfully accomplished.

THE PRESIDENT: Is there any discussion of this paper? If not, we will pass to the next: "What Legislation is Needed with Respect to the Currency?" This discussion will be opened by Mr. John P. Branch, Merchants' National Bank, Richmond, Va.

WHAT LEGISLATION IS NEEDED IN RESPECT TO THE CURRENCY?—ADDRESS OF JOHN P. BRANCH, ESQ., PRESIDENT OF THE MERCHANTS' NATIONAL BANK, RICHMOND, VA.

Mr. President and Gentlemen—I am invited to suggest, "What Legislation is Needed in Respect to the Currency."

I maintain that our currency should be the best. Nothing short of the best will serve the higher and larger interests of our country.

Its value should be fixed and stable.

It should be adequate to the needs of the country.

It should expand and contract automatically.

It should be simple and uniform.

It should be so distributed throughout our territory that every man entitled to credit should be able to obtain its use at a fair rate.

Such an ideal currency is possible of attainment if we approach the consideration of the subject with the determination to overcome all prejudices, to forget all petty interests, fully resolved, in spite of difficulties, to give the country a perfect medium of exchange.

The ignorance which surrounds the currency question is profound.

To reform our currency we must undertake and push to successful issue an educational campaign, basing our instruction upon a broad foundation of recognized economic principles, already clearly demonstrated by the banking experience of the world.

We must not allow ourselves to be discouraged by the vastness of our undertaking.

The interests of the people and the bankers are one.

The currency is the vital commercial question of the day, and upon the answer of the American people much depends.

I believe that answer will be wise. I believe good sense and sound judgment will prevail; but there is danger in delay.

Our answer is awaited with interest by the civilized world, for we stand in the forefront of nations. Our national progress is without parallel. Natural conditions are helping us to rapidly emerge from the depression of the past few years—depression easily and directly traceable to our failure to apprehend and understand natural law, and to our apparent determination to be a law unto ourselves in finance and economics.

We are full of energy, hope and ambition. Trade is reviving. But the basis of all trade is the unit of exchange.

What is the value of our unit? Permanent prosperity cannot be ours while the value of our unit is open to doubt. It is essential we should define, once for all, the meaning of the word *dollar*. Is it a gold dollar, a silver dollar, a Treasury note, a greenback, a National bank note? The question must be answered. Each of these dollars has a different intrinsic value. Credit to-day keeps them at par.

We know the value of an English sovereign, a French franc, or a German mark. In all exchanges they stand for gold.

The value of their unit fixed—ours uncertain—England, France and Germany have prospered, while we have labored under the shadow of a deep distrust.

We have lost valuable time.

We must define the word *dollar*, and it should mean, beyond peradventure of a doubt, a *gold dollar* of the present weight and fineness of the United States gold coin. That dollar is good for all, and everywhere commands respect.

The paper currency of England, France and Germany is bank notes, not government notes. They keep their revenues on deposit in their great chartered banks. There is a two-fold advantage in this. The money of the people, lying to the credit of the Government in bank, is available for the use of the people, not idle and unproductive, as in the case of this country, where it lies in Government vaults. We borrow largely abroad. If the Government money were available, we could curtail our foreign loans to that extent.

It is of grave import to the Nation that the solvency of the Government should never be in doubt. With Government demand notes outstanding, the question returns, from time to time, to unsettle business, to destroy confidence.

The greenbacks and Treasury notes should be retired. The experience of the world in banking matters cannot be disregarded, and the Government should retire from the banking business. No other first-class power is in the banking business.

The affairs of State, with which the Government must perforce cope, are so weighty and serious, it is folly to complicate them with business. The divorce between Government and banking should be absolute.

It has been well said, "The refinement in the use of credit is a pretty accurate measure of national economic progress."

Our currency should be based on credit. All Government interference (I do not say *supervision*) should be withdrawn.

The function of government is to govern. The legitimate function of banks is to issue currency, receive deposits, buy paper, and make loans.

There should be no more interference on the part of the Government in the banking business than in the milk business; but the Government should see to it that banks comply with reasonable, just requirements, dictated by experience and common sense, just as all good municipalities should see to it that the milk supplied the people is pure and unadulterated.

Once it is understood by the people that a bank note is not money, that bills of exchange, promissory notes, checks and bank notes are substantially of the same nature; when they understand that the issuing of notes is not a sovereign act to be solely reserved to governments; when they appreciate that the act is no more sovereign than the act of the merchant when he gives his demand notes, and that it is gratuitous interference on the part of the Government to tax or otherwise forbid a bank to issue currency, while it leaves all other corporations free to make as many demand notes as their credit will permit; then they will demand that the banks be permitted to prosecute their legitimate business without interference on the part of the Government. All other business is conducted without such interference. To discriminate against banks is unjust. They should be permitted to issue as many notes as can safely and profitably be used.

It is idle to argue that it would be impossible to make these notes good. A careful study of the subject proves that making the notes good is a question of detail.

Bank notes, based on a carefully matured scheme of credit, and payable on demand in gold, are the best medium of domestic exchange, and fulfil all the requirements of good currency.

The farmer demands currency to make and market his crops.

The solvent farmer justly complains that the credit he obtains is often at exorbitant rates, and that frequently he cannot obtain currency at any price.

He is entitled to banking facilities, and we must advocate and encourage local banks of issue, owned, controlled and operated by residents who know the financial worth and standing of their customers.

Good, sound currency, provided for, taken with the increase in the production of the gold of the world, will, I believe, settle forever the free-silver heresy of 16 to 1.

A competent, non-partisan currency commission should be appointed; and briefly it seems to me they should advocate—

1st. The final adoption of the gold standard.

2nd. The gradual cancellation of Government demand notes, said cancellation to be not faster than new currency is issued by the banks; the deposit of Government revenues in the banks of the country, and the retirement of the Government from the banking business.

3rd. They should advocate the repeal of the tax on the circulation of banks, and thereby make possible the issue of a currency which will expand and contract automatically with the needs of the country; said currency to be under the supervision of our national Government, and to be surrounded by ample, practical and efficient safeguards.

If the currency commission does not solve the problem and guide the people to demand currency reform based on eternal principles, it is my solemn conviction, gentlemen, that, with the inevitable return of hard times, the people will solve the question for themselves, and free silver may be the least of our evils.

William C. Cornwell: I move that a committee be appointed with Mr. Branch as chairman, to draft a resolution embodying his ideas, and present the same to the next annual meeting of this Association.

The motion was seconded and carried.

The President appointed as such committee under Mr. Cornwell's motion, John P. Branch, of Richmond, Va.; William H. Porter, of New York city; Wm. C. Cornwell, of Buffalo, N. Y.

William H. Rhawn: I move that all papers on the programme, either for today or to-morrow, which may not be reached for reading, or discussion, shall be printed in the proceedings of this Convention.

The motion was seconded and carried.

The President: It does seem to me, gentlemen, that we should have a very much larger attendance before the gentlemen who are to follow are asked to read their papers. I know that the attractions gotten up by the Entertainment Committee of our Detroit friends has taken a great many of our members away, and I therefore will declare a recess until to-morrow morning at nine o'clock, when we will take up the programme at the place where we stop now.

Adjourned to Thursday, August 19, 1897, at 9:00 A. M.

THIRD DAY'S PROCEEDINGS.

The President: We will begin our proceedings with prayer by the Rev. Dr. C. W. Blodgett, Pastor Simpson M. E. Church.

Prayer by Rev. C. W. Blodgett.

Almighty God! Who can speak like Thee! There is music in Thy voice and infinite tenderness in every tone which Thou dost breathe into the listening ear.

We thank Thee that we live to see this day. All about us are tokens of Thy kindness, and on us rest the smilings of Thy benediction.

We thank Thee for our country, bathed in blood as it has been in the past, and the theatre of fratricidal warfare, it stands to-day with the sky blue and brotherly love beating forth from throbbing hearts. Its vast diversified political, social and scientific interests solidified into a unification until there is a peace and harmony and a symmetry never before known.

We thank Thee for this gathering of representative business men of the nation. They have come here not for political advancement, but for the consideration of vital questions that touch the business interests of our Republic. Thou has committed to their care the treasures of millions, and on them rest the peace and the business prosperity of this Republic to a greater or less degree. We pray Thee to bless them in their deliberations, on this closing day of their Convention.

We pray Thee to care for their loved ones in their widely-scattered homes, and upon the labors of this Convention, let Thy blessing rest. We ask in His name. Amen.

THE PRESIDENT: The Secretary has some communications to read.

The Secretary read invitations from the Chamber of Commerce, Nashville, Tenn., the Mayor of the city, the Governor of the State, and others, to visit the Tennessee Centennial Exposition now being held there.

WM. H. RHAWN: Mr. President, two years ago, at Atlanta, I introduced a resolution, which was unanimously adopted, providing for the publication of the proceedings of the Association, since its commencement, in book form. The matter has been ineffective for want of sufficient power in the Executive Council. I now offer the following resolution, and if it is adopted, ask that it be referred to the Executive Council:

Resolved, That the Executive Council be and it is hereby authorized and directed to publish all the proceedings of the conventions of the American Bankers' Association from the commencement in 1875, in book form, to be sold by subscription or otherwise, upon sufficient subscriptions being obtained to warrant such publication, with power to guarantee subscriptions for not exceeding one thousand copies or sets of the same.

The resolution was adopted and referred to the Executive Council.

THE PRESIDENT: Mr. N. B. Van Slyke, President of the First National Bank, of Madison, Wis., has a short paper to read, which the convention will now give attention to.

N. B. VAN SLYKE, of Madison, Wis.: Mr. President and Gentlemen—Twenty-two years ago at a convention of bankers held at Saratoga, particularly called to state and discuss their grievance of excessive taxation, it then and there occurred to me that there should be a permanent organization of recognized authority to represent the banking interests in general, and I offered a resolution to that effect.

Thus conceived, a committee was appointed to formulate a plan, and the following year at the Centennial Exposition in Philadelphia, the child was born and so named—just a century the junior of this our Republic.

This twenty-one years of existence we have watched, worked for its advance and usefulness, until now, having attained its majority, to man's estate, it should assert itself still more vigorously to reform the unwise customs and unjust laws which prevail and concern us all.

THE PRESIDENT: The next paper left over from yesterday is on "Organized Capital—Privileges and Duties," by Harvey J. Hollister, President of the Grand Rapids Clearing-House.

ORGANIZED CAPITAL—PRIVILEGES AND DUTIES.—ADDRESS BY HARVEY J. HOLLISTER, PRESIDENT OF THE GRAND RAPIDS CLEARING-HOUSE.

Money, with a human personality and conscience back of it, is never wholly bad, When this form of power is concentrated, as in these days it has become to a much greater extent than ever before in the history of civilization, and when, as is usually the case, such combinations lose the human personal quality in action, it becomes a problem so serious, so difficult of solution, so unmanageable that legislators and jurists confess their insufficiency to duly protect society.

Properly used, this concentrated power in the form of money or capital is a tremendous force that will work out beneficent results; improperly used, its results are, as it affects general society, disastrous.

As administrators of capital, we owe it to ourselves to so conduct our business as to command the respect of our fellow citizens; without their respect we cannot hope to enjoy their confidence, and without their confidence we need have no expectation of success.

If we, as corporations, enjoy equal privileges with the individual under the laws, how can we avoid the conclusion that, as corporations, we are bound to assume equal obligations? Associated capital is bound to bear its true proportion of the burdens of society.

Banks should be mutually helpful. No solvent bank or industrial institution should be allowed to go to the wall if it is within the power of the associated capital of any community to prevent.

The bank should stand in every community as the supporter of law and order, sobriety and good morals; it will not do to have your community or mine, settle down upon the belief that corporations have no souls. In a business sense it is not true. Where without the generosity even of the banks would be many of our industrial institutions to-day? Institutions which, by careful advice and pecuniary assistance at the right moment, are now emerging from their troubles into conditions that promise prosperity.

Of course the bank must have constant regard for those who have contributed its capital—its stockholders. Beyond this, however, it has an obligation resting upon it not always recognized, the healthy prosperity of the people.

It is the duty of organized capital, as represented in this association, to look with scant favor upon all speculative enterprises. The money received over your counter must be returned again. To avoid this pitfall requires both wisdom and nerve. The speculator, as such, should receive no favor at the hands of the banks. If there are not sufficient legitimate demands so that a bank's capital and deposits can be profitably used, the time for its liquidation has come. It has no right longer to do business.

All institutions which hold the moneys of the people in trust should be subject to inspection. None but critical, able experts should be employed. The private bank has no right to exemption. The rule should be an inexorable one.

The President: We will now listen to an address by Myron T. Herrick, President of the Society for Savings, of Cleveland, Ohio. (Applause.)

Savings Banks.—Address by Myron T. Herrick, of Cleveland, Ohio.

Mr. President and Gentlemen—The remarks that I shall make to the few of the faithful that are here this morning will be so brief that I trust you will be willing to listen.

There hardly seems to be any need of discussing the question of Savings banks from the economic standpoint. Their present condition tells the story. Last year at this time our depositors—more than five million in number—were entering a school of finance for the purpose of making a study of the economic question of their earnings and savings, deposited in the banks, as it related directly to them. They were making the study in earnest. In November last they graduated, and the result of their education, and that common school of experience, reflects, I maintain, great credit upon this nation, for on their intelligent decision rested, I believe, the good name of our nation. Those five million depositors, who had on deposit more than two thousand millions of money in less than one thousand Savings banks, were vitally interested in that issue. That fact alone, that they owned that much money —more than the national debt—insured a careful study of the question, and an intelligent decision in favor of a stable currency. (Applause.)

The benevolent motives which prompted, in the early period of this nation's development, the establishment of these mutual Savings banks, which I will speak of for a moment, were peculiar ones. There had come a time when the name, bank, was odious to what has been termed (a misnomer, because there are no such people in this country) the common people; we had had financial troubles; we had had trouble with our currency system; men in the great centers like New York, Boston, and other places, men of affairs, the leading men, met together without a thought or a selfish interest. It was a benevolent motive which called them together for the purpose of organizing institutions which should encourage thrift among that class of people who are not so capable of making their own investments. The original motive was unselfish. The result was the creating of one of the most gigantic trusts, if you please to call it so, or money powers, that this country has ever known; for in six hundred and seventy-seven mutual banks there are over seventeen hundred millions of dollars. It is a money power. It was a money power that was cried out against. But to whom does it belong? It belongs to nearly five millions of people. These things are sometimes forgotten or overlooked.

It is rather a pleasing fact that in all the years of the existence of these institutions, while the money belongs to a great many people, it is managed by comparatively few, and the management has gone on without criticism, until I believe it is almost universally conceded that this large amount of money is controlled wisely and benevolently.

There seems to be to-day no longer conditions existing favorable to the establishment of mutual institutions. Trust companies and State banks are taking the place of them—institutions for profit. Yet I am inclined to think, as I look over the statistics, that possibly in some portions of this country it might be well for the States to look into the question whether they would not promote savings as they did in the East, and bring together a capital that may be used for the development of those States by going back to the old plan which has worked so well.

For instance, the per capita of money in the Savings banks in the East, relatively to the whole of the population is, I think, about $151 per person. In the West or Middle States it is about $2.50 per person, and about fifty cents per person in the Southern States.

Therefore, taking into consideration the development of these mutual institutions and their history, I think that possibly in those newer States where development is sought, and where the confidence of the people is desired, to bring this money together for the use and the development of those sections, that possibly they might emulate with profit the examples of these institutions in the East.

Another significant fact that occurs to me is this, that in all these years there has been absolutely no Government supervision for these institutions, although the amount handled is greater than all the National banks, and in many of the States there is no State supervision over them. They have been governed largely by laws of their own making, and by laws that they have been able to obtain from the Legislatures to protect these trust funds. And all that these five million of people have ever asked or ever expect to ask, of the general Government, is that they may have the privilege to enjoy, without diminution, the earnings and savings which belong to them, without confiscation under whatever guise.

I noted yesterday in the morning papers the remarks of the Governor of Michigan, in speaking of corporations. His desire is that laws shall be passed which shall make corporations honest, and keep them from cheating, and holding them up to the straight path of rectitude. We agree on all those points. Corporations, as well as individuals, should be honest. But is not the tendency of the times a little bit to cry out against the aggregation of individuals; because, after all, a corporation is made up of our citizens? These two thousand millions that I am speaking of are owned by our citizens, by the class of people that the men who seek to gain popular favor desire to please. Let us take care. Let us ask of the Government not to be swayed too far, to the end that corporate interests may not have the same privileges accorded to them that individual interests have.

In other words, shall not we ask of the Government to set up the same standard of integrity for its treatment of communities, corporations, or whatever you call them, as it sets up as a rule for conduct of man and man. I see no difference. Governments are liable to be swayed and carried a little too far by the cry of people who are seeking personal advantage. They are all our own citizens. They are aggregations of capital for carrying on what individuals alone cannot, and they are entitled to the same fair treatment that individuals are entitled to. President McKinley has said that the financial question is of vastly too much importance to be made the foot-ball of party politics. And these people, speaking of the Savings banks' interests, demand of this Government a currency, whether it be gold, silver, or paper, that shall be maintained as good as gold, at home and abroad.

I am satisfied that with the experience we have passed through we are rapidly reaching that point when we will get this question out of politics. I do not intend to go into any currency discussion here, especially after hearing the masterly address of Mr. Eckels yesterday, which impressed us all, and which we believe in thoroughly; yet I hope we will not lose sight of this one fact, that we have silver, and we have paper, gotten out, which must be maintained at par, and we must get gradually back to that sound basis, and we want to get back there, if we can, without any of those drastic measures which will cause again apprehension and distrust in this country. Individually I believe every banker believes in the gold standard, and I think that in time we will get there, and I believe that we will get all the people to feel as we do about it, and then we will get this question out of politics. (Applause.)

I have noted of late that many of our financial writers are advocating a postal Savings banks as the proper method of handling the savings of the people. I have serious doubts about the policy of the Government in obtaining the guardianship of this money, as long as it is being well managed. There is a sort of feeling in this country against paternalism; but that is not, to my mind, the strongest argument against it.

We are contrasted with European countries, but the contrast is not a fair one, because, so far as savings go, they make but a very indifferent showing as compared with our country. Great Britain alone, I believe, has less savings than the State of New York. I think that the only possible argument that could be made for a postal Savings bank, in the presence of this fund being properly managed, would be that the Government could use that money. In that event it must be based upon a permanent national debt, such as they have in the old countries, and that I believe is the reason, and the origin of the institution of the postal Savings bank there.

But we have no permanent debt in this country. Our debt in periods of prosperity is being rapidly liquidated, and the Government has not the need of the money. Besides, in the old countries, the policy of the Government is to tie everybody to it; to make everybody subservient to the Government. The policy of our institutions is to make the Government subservient to the people. The only divine right by which our rulers rule is that which they obtain from the people. Our policy of government is against making the people subservient to the Government. There is that spirit of individual independence, which goes all through our governmental system, which, in the interest of our Republic, we must foster. We say to our people that we will encourage them in the spirit of independence, in managing their own private affairs. The municipal debt, I believe, and the real estate debt, and nine-tenths of the Government debt, I am told, and half of the railroad debt, are owned in this country. The railroad bonds have been coming back to this country in stacks in the last two or three years, on account of the threatened adverse legislation. I believe those figures are not far from correct. The banks of this country, the trust companies, the life insurance companies, and all our institutions, own substantially the debt of the country, with the exception, perhaps, of half of the railroad debt, and a portion of the Government debt. Are not these unmistakable signs pointing to a greater period of prosperity, when we shall take our position as a creditor nation, instead of a debtor nation? Do not the bank balances throughout the country to-day, and the ability of our institutions to take up any good enterprise and put it through, indicate that we are rapidly reaching that point where we will be loaners of money to other countries, for the first time in the period of this Government?

If the hard times through which we have passed since 1893 have so little affected the condition of deposits in the banks, and have not lessened the confidence of our people in the stability and worth of these institutions, is not the future bright with promise for a period of greater usefulness and of a more prosperous and powerful and wise control of the savings of the people? The people thus far have trusted us, and we have unbounded faith in them. (Applause.)

THE PRESIDENT: The next paper left over from yesterday is entitled "Are Clearing-Houses for Country Checks Practical?" This discussion was to have been opened by Mr. John C. Neely, of Chicago, but he is not present, and so that paper will be passed. The subject, however, will be presented by Mr. Bradford Rhodes, of New York.

BRADFORD RHODES: Mr. President and Gentlemen of the Convention—Our associate, Mr. Neely, of Chicago, was assigned to this very important topic, but a week or more ago, at his request, and at the request of the Executive Council, I was asked to prepare a short paper on that subject. I fully realize that it is impossible for this audience this morning to listen to any practical banking topic. We are waiting for important business filling all our lines; but I have one or two brief thoughts to present. The American Bankers' Association as now organized is very much like a wheel on my farm wagon—one great, big hub, and forty-four large spokes running into it. The American Bankers' Association is the hub, and the state associations are the forty-four spokes. I am very glad, for myself, and also for the New York delegation, and I think for many other people besides, that the Constitution has been so amended as to make those spokes a part of the hub, and to be with them forever. (Applause.)

ARE CLEARING-HOUSES FOR COUNTRY CHECKS PRACTICABLE?—ADDRESS BY BRADFORD RHODES OF NEW YORK, PRESIDENT OF THE MAMARONECK BANK.

Mr. President and Gentlemen of the Convention—There are many intricacies connected with this subject that cannot be considered in the brief time at my disposal.

Country checks are such important factors in effecting the exchanges of the country that any attempt materially to reduce their number or to eliminate them altogether will not succeed. They are here to stay.

In an address delivered before the Ohio Bankers' Association in 1896, Mr. M. M. White, a former President of this Association, in speaking of the proper charges to be made for collecting these items, said:

"It seems to me it would be wise to deal with this question in our individual capacities; we never can do it collectively, but we can manage our business individually."

From the amount of discussion annually devoted to this matter by the State associations and the barrenness of the results achieved, it is apparent that the above remark quite generally reflects the prevailing opinion. However desirable from an ideal point of view, the establishment of anything like uniform charges for the collection of country checks, under our system of numerous competing banks, is a practical impossibility. I do not think it necessary to state to an audience of bankers why this is so.

But there is one feature of this problem that may be profitably studied with confident hopes of its solution. That there is a useless expenditure of time, machinery and money in the existing methods of making these collections, and a consequent loss to many of the banks handling them, is a fact well established.

By selecting an agency for the collection of such checks many of the vexatious delays in their collection would be obviated, and the devious journeys that some of these items take before reaching their sponsors might be considerably circumscribed.

I respectfully invite your attention to the accompanying plan for a clearing-house for country checks, proposed by Mr. Walter E. Frew, President of the Queens County Bank, Long Island City, New York. A plan somewhat similar to this has been in successful operation there for more than five years, thus demonstrating its practicability. This successful experiment makes it possible to answer the question assigned me in the affirmative.

The tendency of modern economic evolution is toward the simplification of business methods and the conservation of human energy. Associations like this promote unity of thought and action on the lines incident to the purposes of our organization. It is, therefore, a reasonable expectation that the country check may be relieved of much of the disfavor with which it has come to be regarded in the banking centers, and its usefulness as one of the great credit instruments of the modern business world be greatly increased.

If, from the varying conditions surrounding our banks, we cannot establish a uniform charge for the collection of such checks, we may surely agree upon some such simple device as that herein mentioned for facilitating their collection and greatly shortening their careers, at the same time lessening the risks, reducing the expense and the loss of interest now incident to their conversion into money. Would it not be wise, in this instance, to attempt the least difficult thing first, leaving the adjustment of the more perplexing elements of the problem to the developments and experiences of the future, which will no doubt provide a clear way of meeting those conditions which now seem to present a variety of interests incapable of being reconciled.

Plan for Clearing Long Island Checks.

First: The appointment of the Queens County Bank to act as the clearing agent or clearing-house, to be known as the Collection Agency for Long Island checks, or Long Island Clearing-House.

Second: The banks of Long Island to be divided into classes, taking as a basis the amount of exchange charged by each bank.

Class "A," Banks that Redeem their Checks at Par.

Bank of Jamaica.	Flushing Bank.
Oyster Bay Bank.	Woodhaven Bank.
Babylon National Bank.	

CLASS "B," BANKS THAT CHARGE ONE-FORTIETH OF ONE PER CENT.

Hempstead Bank.	First National Bank, Hempstead.
Far Rockaway Bank.	Patchogue Bank.
Bank of Huntington.	South Side Bank, Bay Shore.
Bank of Rockville Center.	Freeport Bank.

Glen Cove Bank.

CLASS "C," BANKS THAT CHARGE ONE TWENTIETH OF ONE PER CENT.

South Hampton Bank.	George Kiernan.
H. M. Reeve.	Suffolk Co. National Bank, Riverhead.
People's National Bank.	First National Bank, Greenport.
Peconic Bank, Sag Harbor.	Bank of Port Jefferson.

Third: Said agency to receive all checks on Long Island in the early morning mail, having been sent by the banks the night before, divided into three packages. The Queens County Bank to remit immediately for these checks as follows: Class "A," in full. Class "B," less one-fortieth. Class "C," less one-twentieth; and send them direct to the banks on which they are drawn, using the Long Island Express or the mail as a delivery agent. The Long Island banks to remit immediately for all checks by return mail so the Queens County Bank will receive the check that same night or in the early morning mail the following day. All checks not good or unpaid to be returned at once or under protest unless otherwise instructed. Items dishonored or returned for technicalities to be promptly returned for correction. By this system checks received by the Queens County Bank in the morning will reach the place of payment on all parts of Long Island the same day. They would receive remittances from all the Island banks to meet the checks from the clearing-house given by them the previous day. This is purely a clearing-house, no balance being required.

The Queens County Bank will try this plan for one year for the sum of $4,000, which pays for all clerks and stationery used in the clearing-house, the cost of sending packages from Long Island City to the various banks and postage for mailing checks to the credit banks. Expenses to be paid by equal dues of every bank in New York, Brooklyn and Long Island, to be about $30 a bank or an account to be kept of the amount of business each bank sends through the clearing-house. At the close of the year each bank to pay their proportion of the $4,000, according to the amount of business that bank sent through the clearing-house.

THE PRESIDENT: The next paper is by Mr. G. Gunby Jordan, of Columbus, Georgia, and is entitled, "How Would National Banks with a Capital of Less than $50,000 be of Benefit to the Country?" I have the pleasure of introducing Mr. Jordan.

HOW WOULD NATIONAL BANKS, WITH CAPITAL OF LESS THAN FIFTY THOUSAND DOLLARS, BE OF BENEFIT TO THE COUNTRY.—ADDRESS BY G. GUNBY JORDAN, PRESIDENT THIRD NATIONAL BANK AND THE COLUMBUS SAVINGS BANK, COLUMBUS, GEORGIA.

Mr. President and Gentlemen of the American Bankers' Association—A monetary conference commanding and obtaining the attention of the Chief Executive of seventy-three millions of Americans, has lately declared "That a banking system be provided which should furnish credit facilities to every portion of the country, and a safe and elastic circulation, and especially with a view to securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof." Whatever the individual views each of us may have on other financial affairs, to this demand every member of this Convention, every banker, every right thinking man in the Union, can subscribe. In this moment, when political contests and professional politics do not becloud the question, it is a fitting time to earnestly seek a method to enlarge borrowing facilities, better distribute the loanable capital now congested in the centres, and pull from its hiding place the idle hoardings of sections now illy provided with banks. The ideal we may aspire to, perfection we may hope for, but practical men rarely expect to attain either. The agitation now happily well inaugurated may eventually lead us to an ideal monetary system, including perfection in banking; but for one I expect neither at an early date. So let us take what we have and make the most of it. The demand of bankers for the retirement of the greenbacks, the clamor of the agitators for the abolishment of National banks, will neither probably find accomplishment in our day. The party in power has a record opposed to both propositions. The national banking system is with us, and with all its faults, there is much that commends it. Our law-makers seem to prefer it, and it will likely endure. The part of wisdom, the practical thing to expect, then, is to have that law so amended as to meet the changed conditions of the Republic, and to allow it to properly fill the mission of to-day.

Among the amendments none could serve a wiser purpose or prove more beneficent than a reduction in the minimum amount of capital required for the organization of a National bank. In a speech delivered before the Georgia State Bankers' Association, in 1895, it was my purpose to show that above all things needed to develop this throbbing, pulsing, growing nation was more banks, distributed where trade demanded them. A strong sentiment possesses many thinking men that State banks of issue should supplement, under well-defined regulations, the National system. Objections, which seem paramount to the legislators, have been urged against that change, and we are not likely to soon see Congress repeal the tax which now effectually bars State banks of issue. It is a cheerful sign of the times, when at last the business men of the Eastern and Middle States begin to appreciate what the South and West have so long and keenly felt, the illy distributed bank credit power of the States. There are two classes of people in the world, those who read and reflect; those who see and believe. Bankers of the South and West fortunately belong to both classess, and for a long time have seen, felt and believed that the banking capital of this country was congested in the financial centres, and the outlying districts were absolutely bare of that credit power without which no prosperity can be enduring.

The distribution of money is decidely faulty. The burdens are unequal, and the people resent the unfairness. It augurs well, then, when such men as William E. Dodge, Maurice L. Muhleman, and others, having their attention drawn to this, are pointing out the burdensome facts and suggesting remedies for their correction. Austria-Hungary, Germany and France felt and appreciated these dangers years ago, and have happily corrected them. But we can draw inspiration from nearer home, and studying well the Canada system, find much to imitate.

All these changes mean radical reform. To the present question, "Would National Banks with less than Fifty Thousand Dollars Capital, Benefit the Country?" I answer unhesitatingly, yes. Defective as it is, uncompromising in its note issueing features, rigid in its operation, lacking in responsiveness, unremunerative often, yet National banks are engrafted upon us as a sytem, and in several respects have little for criticism. The cry for more money comes loudest from the sections where banking facilities are deficient. This matter long neglected will enforce its demands and eventually control all legislation. To Raymond E. Dodge, Esq., I am indebted for statistics astounishing and instructive alike. In the May number of "Money" you will find it, and among other striking facts, it discloses that the Southern States, with over twenty millions of people, have only an average credit power of $19.15 per capita while the New England group has $287.58 per capita. New England with about five millions population has greater banking power than the Central States with near twenty-five millions of people. Comparing States with approximate population, we see, Massachusetts with $341.44 per capita, with Georgia with

$10.09 per capita, Rhode Island with $371.62 per capita, with Florida with $16.62 per capita, while Arkansas, with its untold agricultural possibilities, has only $4.86 per capita in banking credit power to develop it; while the general average of the whole Union is about nineteen times as great—$93.69.

Things financial are sadly out of joint. If slight amendments to existing laws will help to right the wrong, in Heaven's name let us urge them. If we are to continue the unscientific basis of bonds for note issues, let the banks issue par on the bonds. If the people actually need banks, let them demand a reduction in the tax rate on the note-issuing feature, and allow a healthy expansion from the $225,155,465 outstanding July 31, while with only 1,940 banks in 1872 there was of National bank notes $336,000,000. Then with $25,000 as minimum of capital, there would be inducement enough to plant a National bank wherever one was needed, and outside capital would greatly aid in this work.

Georgia, though suffering under the adverse circumstance of poverty inherited from the incidents of war, has generally been equal to emergencies of panics and commercial necessities. So when W. S. Witham saw the crying need for banks in portions of his own State, he conceived a remedy. To-day no less than twenty-five towns in Georgia have successful banks in operation, and all organized by him. He takes a census every month, and was President of only twenty of them at last month's census taking, for, as he informs me, "several got to paying dividends every Thursday and he was persuaded to part with five of them." (Laughter.) These banks are capitalized at from twenty thousand to fifty thousand; most of them at twenty-five thousand. Each is separate and distinct from the others. The Cashier is the salaried officer, and is bonded. The directors make all loans over $50.00. The Cashier is liable for overdrafts and dealings with strangers. The other regulations all seem sensible and healthy.

The Country Bank Security Company takes three-fifths of the capital of each of these banks, the home people the other two-fifths. The record of these banks is good. None of them have failed. All seem to be highly prosperous. In fact, in reply to my inquiry, the State Bank Examiner of Georgia points out only one bank in Georgia with less than fifty thousand capital which has failed since January, 1893, and that in the crucial period of all history. The Comptroller of the Currency also shows that during the period from January 1, 1893, to October 31, 1896, only thirty-two per cent. of the failed National banks, were those of the minimum capital allowed by law; and a careful examination of the causes of failure shows that nearly fifty per cent. of these failures were from dishonesty, not limited credit power. History would speak to us in vain, then, if we did not learn from these trying years that small banks are generally conservative and successful. National banks, with the changes in the law suggested, would commend themselves to a discriminating investing public; and, also, on account of their uniformity in regulation, examination, and of decisions of courts affecting them, would rapidly multiply. These would make glad many a locality now engaged in the crudest form of barter, and suffering for the actual medium of those exchanges which serve to bring the husbandman the value of his crops and the laborer the true worth of his hire.

That the needs of the country require small banks is indisputably proven by the statistics of their organization. Since January, 1893, 245 National banks have been organized. Of these, 80 per cent. (193) have been $100,000 and under, and of this 193, 77 per cent. (149) have been of the minimum capital allowed by law, namely, $50,000.

Some of the advantages to accrue from reducing this minimum and making possible smaller banks, are:

1st. Individual investors, syndicates or corporations, specially chartered, to invest in bank stocks, as in the case in Georgia, would find renumerative employment for much idle capital now congested at financial centres. The section now deficient in capital would enjoy and make profitable this shifting of credit and cash.

2nd. In every community among the ultra conservative, there is, no matter how apparently poor, some idle funds hoarded and unused. These would find lodgment either as part of the capital of, or a portion of the deposits in newly organized and well officered banks. Senator Serman aptly said "the organization of a bank in any community draws from the pockets of the people in the form of deposits idle capital, on an average equal to the capital of the bank. These deposits are made the basis of circulation, not of paper money it is true, but of drafts, loans and certificates of deposits."

3rd. Every such shareholder or depositor gained adds to the army of conservatism. Every National bank shareholder is a living witness refuting the communistic argument that these banks are enjoying abnormal double profits; one from note issuing feature and the other from the bonds themselves. Every new depositor in a bank but adds to the thrift of the country, and is a voter whose silent batteries are ever ready to protect property and right.

4th. The exchanges of the world are not made mainly with basic money, but with representatives of it. If our currency laws were properly amended, the amount of exchange would increase to almost any limit; and better than that, it would expand and diminish, as desired. The American Economic Association has carefully ascertained that over fifty-eight per cent. of deposits in 2,465 National banks in one day were in retail checks, and it is fair to say that $1,800,000,000 in retail checks are used annually in our country. Every new bank established adds to this the most flexible of all currency creations, and assists and develops trade in increasing proportions.

5th. The paradoxical nervousness which is born of prodigal crops, because the very plenitude of Providence makes us beggars for bank exchanges to move them, will find a nervine in every new bank which is born, and when a genuine currency reform is inaugurated, this hysteria will be forever dispelled.

Poised on the knoll of progress, with our backs turned on the commercial carnage of a half decade of years, from the North, we see the "sunburst from the distant Klondike radiate a golden glory that deepens as it traverses our immense fields of yellow grain." The insipiring spectacle of thirteen miles of rumbling-laden-cars on one road, moving from a single State in one day, thousands of tons of agricultural products, greet us joyously from the West—while maturing mortgages are manfully met by legitimate profits from bountiful harvests. From the East can be seen fleets of ships hurrying from every European port to bear away the precious breadstuffs, at advancing prices. And then from the sun-kissed South a song of plenty is heard. Cotton consumed by manufacturers increased in that favored section, in seven years, nearly 100 per cent., and yet the good work goes on. Water powers, whose every drop has been heretofore a wasted diamond, are being converted into productive energy which will be more magical than Aladdin's lamp. Over its millions of acres, King Cotton has spread his mantle of ermine, and when his royal hand beckons, the coffers of the world empty their gold in his imperial lap. Our ports, with the magnets of nominal dues, are drawing the ships of the world, only to clear them with record-breaking cargoes from near-by forests, mines and fields. Immigrants from less favored sections have found the path to this land of promise where Nature is seen in her happiest moods, and where a generous soil thrice annually yields a crop. And these men of muscle are coming in thousands to enjoy its plentitude and comforts.

The horoscope of the heavens, from the dome to the horizon, all prophesy prosperity. Give all these benignant omens but an opportunity and greater glory is ours.

The pessimist alone, Othello-like, is without an occupation. In fairness, in justice and in wisdom, let our law-givers settle this currency question, and the South, at least, will blaze its own road to riches. (Applause.)

WILLIAM H. RHAWN: I was glad to hear the arguments of the gentleman who has just taken his seat. I was glad to hear him so eloquently advocate that which the Association has already most emphatically endorsed. Two years ago, at Atlanta, this Association adopted a resolution, by a unanimous vote, urging upon Congress the establishing of National banks as he suggests.

THE PRESIDENT: The last paper on yesterday's programme is entitled, "Would Branch Banks be Beneficial, or the Reverse?" by William C. Cornwell, of Buffalo, N. Y.

WOULD BRANCH BANKS IN THE UNITED STATES BE BENEFICIAL OR THE REVERSE. —ADDRESS BY WILLIAM C. CORNWELL, PRESIDENT OF THE CITY BANK, BUFFALO, N. Y.

My purpose to-day is to present as fairly as possible both sides of this question, leaving you to discuss and if you please to answer it. I am not here to advocate any particular system for the United States.

IN GENERAL.

Branch banking has been in active operation throughout the world for at least 100 years, in some countries to the exclusion of almost every other kind. This is the case with France, Germany, Scotland and Canada, where the valuable qualities of the system have been thoroughly proven.

The Bank of France, the only French bank allowed to issue notes, has branches in ninety-four towns and cities outside of Paris.

The Imperial Bank of Germany has 220 branches.

In Scotland where there are altogether only ten banks in the country they have altogether 878 branches.

Canada has thirty-eight banks with 483 branches.

Ireland has nine banks with 353 branches.

Russia, Austria, Italy, Australia have the branch bank system; in fact it has developed naturally in nearly every country in the world, except the United States. It began to do so here and was in a high stage of perfection when restrictive war legislation blighted it, and cursed us in other ways.

In England we have a unique feature in that large and very strong private banking firms are allowed not only the privilege of note issue, but also that of branches, both of which they exercise, the branches being confined to towns in the region where the head office is located. Incorporated banks there, also, have branches, mainly in their own districts. Meantime the Bank of England has only nine branches—and large numbers of strong banks there have no branches at all.

Scotland and Canada are the two countries in which this system has been most highly developed. Special individual examples are the Royal Bank of Scotland with 111 branches, the bank which invented cash credits that have done so much to develop Scotland, and the Bank of Montreal with over forty branches covering every part of the Dominion, a bank with twelve millions capital and six millions surplus, three times as strong as any bank in the United States, and a very bulwark during the pioneer development of Canadian industry.

NOTE ISSUE NECESSARY.

It may be said at the start that branch banking is quite unprofitable without the privilege of note issue—that is, note issue against general assets, without deposit of securities like United States bonds.

In other words, under the national system of circulation at present, branch banking would present little inducement, even if it were made legal.

The reason for this is that one of the main sources of profit from branches is the circulation by the branches of the note issues of the parent bank.

Such note issues must be without cost of interest—notes issued on the credit of the bank without special security to make them good.

Such notes the branch bank can hold in its cash drawer, instead of coin, without loss of interest, and pay them out in the course of business.

It does not have to wait for deposits, but can immediately begin loaning out its notes, which fully take the place of money. A development of the community where it locates begins at once, at least as far as judicious loans can develop it.

These notes, as I have said, cost no interest to the parent bank, whereas if it had not the privilege of issue it would be compelled to keep actual cash at the branch to pay out, which cash would be kept at a loss of interest. Thus the larger the number of branches the greater the loss.

LARGE CAPITALIZATION NECESSARY.

Only banks with very large capital can practice branch banking.

Its adoption in the United States would mean the centralizing of banking operations in a very much smaller number of head institutions than now exist independently.

ECONOMY OF MANAGEMENT.

Instead of there being 8,000 sets of bank officers whose interests are identical with those of the people of the community in which they live, we would have many agents of large institutions, one of whose ambitions would be to win the favor of the head office by making as large profits as possible with as little expense and loss as may be, and this, by the way, would be a perfectly legitimate ambition.

There would probably result, however, the throwing out of employment of fully 50 per cent. of the persons at present employed in banks, and the money which now goes to them in the form of wages would reduce to that extent the cost of doing the business.

There might at first be some popular clamor against the whole system and its concentration of power.

ECONOMY OF CAPITAL.

If it should prove that the branch system of banking could be carried on in this country with the same proportion of capital to deposits that now prevails in Scotland, two-thirds of the capital now invested in banking would be released. While this would be a decided advantage to the stockholders who were fortunate enough to secure stock in new banks, it might cause a loss of some capital when the change took place, if through the competition of the branch banks the independent banks were obliged to retire from the field, and settle up their affairs to as good advantage as the changed conditions would permit.

BANKERS' MEETINGS.

Meetings of the American Bankers' Association, such as we have here to-day, would be a thing of the past, and instead of the representatives of thousands of banks assembling annually, a fewer number, the general managers, would get together and pass with considerable authority upon the various phases of the banking business with reference to continued improvement.

ANTAGONISM.

All the legislation that is now being directed towards trusts and combinations might be expanded so as to bring the banking business into the same odious category, and the comparative freedom from legislative interference that now prevails, owing to many of the legislators in all State Legislatures being interested in the banks in their locality, might possibly become a thing of the past and it might even be considered necessary for the banking interests to maintain agents at every State capital and at Washington for their protection. From which Heaven defend us.

POWER AND USEFULNESS.

However, these are political considerations. Let us look at the real advantages. In many smaller towns and thinly settled agricultural communities there is not sufficient capital to enable the people to establish a bank of their own—the minimum amount of capital required for a National bank being $50,000, and in nearly every State there is a minimum limit put upon the capital of banks. It has been suggested that this minimum might be reduced to $25,000, or less, but in any community where there is a dearth of capital there is little money to be deposited and without deposits the small bank could ill exist.

Besides, the statistics of the Comptroller of the Currency show that a very large proportion of the banks that fail are small banks and it is reasonable to suppose that if the minimum amount of capital is still further reduced, the number of failures will increase. There are many communities where there is little or no capital available for banking purposes in which money could be loaned to good advantage and with perfect security, and an economically managed branch bank would be a great convenience.

Places which could not now possibly raise the money for a bank, even with twenty-five thousand dollars capital, would thus have a branch of an institution with millions back of it under this system.

There are many localities where the demand for money only exists for three or four months in the year, and throughout the rest of the year there would be little or no use for the bank, as far as loaning money is concerned. The independent bank has to keep its doors open continuously and funds idle, while the branch bank funds when not in use go to other parts of the system, being elastic according to the needs of the community. In Scotland the managers of near-by branches visit once or twice a week the communities that have not sufficient business to warrant the establishment of a branch, and in this way the people have the advantage of banking facilities in an inexpensive way.

The branch bank, going into a community no matter how small, carries with it all the power of the head institution, the strength—the money resources—a great thing for a small town. What a protection to depositors; far greater than that of the small-capital local bank, and to the worthy borrower what an extension of his enterprises opens up, with the fact that, if his business deserves it, money is unlimited.

DANGERS OF OVERLOANING.

And yet it cannot be denied that the power of bringing into a small community the resources of a very rich bank in charge of a branch manager whose object is *to do business* might be abused. This would be brought about by the starting of branches in new fields by more than one bank. The competition resulting therefrom in overloaning might be very dangerous.

Such proved the case in the early years of Canadian branch banking. Mr. Hague relates some extraordinary developments in the inflation of credit, in this way. He has known, he says, in a community of 5,000 or 6,000 people, of one man being able to borrow more than half a million of money from the branch of a bank and with such enormous sums at his command utterly demoralizing the business of his district, and inflicting severe injury upon the prudent and careful man who would never borrow more than a reasonable amount as compared with the business done in the locality.

If branch banking were introduced in the United States we would see much abuse at first in this undue use of large resources in small places. This would correct itself, of course, after awhile, as it has done in Canada.

LOCAL ADVANTAGE.

There is one other point where local independent banks have the advantage. In case it becomes necessary for a perfectly solvent concern to raise a large amount of money, on short notice, the local manager cannot advance the money, but must make his application to the head office, and the General Manager there will bring the matter before the board of directors. This delay may be fatal, whereas the prompt action that can be taken by independent banks might preserve the solvency of the borrowing firm.

It is undoubtedly an advantage to be able to communicate directly with the supreme authority in your banking business, still there is another aspect of this matter, which is found in practice to be an important one, namely, many a borrower, especially in a small town, would rather deal with the representative of a distant institution than with a bank under the control of his fellow townsmen. In the case of a branch bank there are no rivalries among the local board of directors or social complications to enter into the granting of a loan. The business question is settled in a business way by a trained banker.

The manager of a branch bank is generally more of a clerk than the executive officer of an independent bank and it is a matter of great difficulty for a head office to judge of credits in not only one place, but many places, very far off. A much higher order of bank training would have to be gone through before our bankers would be able to successfully meet the difficult problem presented by branch banking. I think I may say that the education necessary for General Managers and for Managers of branches does not now exist in the United States.

I am endeavoring, you will see, to give both sides of this question. To revert to the other side again.

SAVINGS ENCOURAGED BY THE BRANCH SYSTEM.

If the people who now have no banking facilities and consequently hoard what little money they have, had in their vicinity a branch of a reliable bank, they would prefer to place their savings in this branch, rather than take the risk of losing it by keeping it themselves.

The very small proportion of coin which the Scotch banks carry enables them to afford to pay interest on deposits, as their notes cost them nothing, and what they loan is their notes. The payment of a small rate of interest on deposits encourages people with small sums of money to deposit them, while, if no interest was paid, the money would probably be hoarded. In this way the branches gather up from all parts of the country.

EQUAL DISTRIBUTION.

In towns and counties where money is not used much, the branches collect in the spare funds and almost without expense it is transferred through the head offices to other branches where money is in active demand. This money from all parts is placed in one reservoir, and distributed, doing the most good at the lowest cost.

Rates to borrowers are equalized by this distribution, and in the far off sparsely settled regions rates are practically no higher than at the large centers.

We know how different this is in the United States—money at one and two per cent. per annum in New York, ten and twelve per cent. West and South, and unobtainable at any price, at many points.

ECONOMY FOR THE PUBLIC.

One of the great economies in the establishment of branch banks is the lessening of the capital invested in the business. The average percentage of capital to deposits in Scotland is 12.2 per cent., while in this country it is 84.2 per cent.

Whatever reduces expenses of bank management means reduced rates to the borrowers—benefit to the public.

If there were only one bank in the country, this might not be so, but competition between banks forces them to the lowest rates that decent returns on their capital will allow; consequently if cost to the bank is reduced, cost to the public is also reduced. A tax on banks is a tax on the people.

Legislators, supposed to represent the people, should remember this, when it occurs to them that it would be a good thing to increase the burdens of the banks.

OTHER ADVANTAGES.

Money is not always in demand at all places at the same time, but is needed in different parts of the country at different times, and for this reason, under the branch system, the head bank is enabled to meet demands upon it with a comparatively small amount of money, which would be entirely insufficient if being handled by numerous independent banks.

For the head banks, risks are distributed, and if one part of the country has disaster, this is offset by the banking profits in another part, not affected.

Each locality would be assured that no local disaster would affect the banks. Now, when local banks begin to break, the locality submits and suffers until long afterward, when timid capital again establishes itself.

BENEFT IN PANICS.—In panics, there would be a combination of interests which would make impossible such an experience as ours in 1893, when the solvent banks of the West were mowed down by hundreds, because of lack of support from each other and from the centers.

The very existence of the large strong banks which would grow out of the system would tend to dissipate storms.

RECAPITULATION.—I have touched many of the points both favorable and unfavorable to Branch Banking in the United States.

Perhaps the arguments in favor may be summed up when we say the system reaches the highest perfection in three important particulars—Stability, Economy, Usefulness.

STABILITY.—Stability, the greatest financial strength; holding up all our institutions in active periods and in storm, and attracting to this country the capital of the world.

ECONOMY.—Economy both of capital and management, meaning the lowest cost to the business world, and consequently the highest development of our resources.

USEFULNESS.—Usefulness, developing, and with most perfect machinery, the resources of every part of the country, and bringing into greatest activity the capacities of brain and muscle of all our people.

OBJECTIONS.—All the objections to the system, in practice, are negative, and can be overcome by real use.

Even the social argument, that the system is too much in the line of aristocratic tendencies for our people, is met by the fact that we have already tried branch banks in this country, and with the greatest success.

One of the best banks the world has ever known was the State Bank of Indiana, which was a bank of branches and nothing else, had no head office with capital—a monumental bank, great and beneficent, and ran through two panics, never suspending specie payment, and from the day it opened, in 1834, until it was shut out in 1866 by the State bank tax, it was the most highly profitable to shareholders and advantageous to the public of any institution we have ever had.

So with the State Bank of Ohio, which had thirty-one branches, and was highly successful, closing only when the State bank tax cut away its natural prerogatives.

THE OBSTRUCTION POLITICAL.

There is only one formidable obstacle to the introduction of branch banking in the United States, and that is the political one.

One writer says that the superiority of the system may be admitted if it could be introduced, but it must encounter prejudice and jealousy.

Another who opposes it says, after admitting its great advantages:

"Will the social and political conditions existing in the United States permit the establishment of such a system?"

So here we are met again by our old enemy, the political situation, the same which prevented reorganization of the currency in 1878, in 1890, and now again in 1897—the political situation which has cost us worlds of money and untold misery.

The political situation! the political possibility! The question is. not is it the best? Is it the most advantageous? Is it the most economical? Does it bring in its train the greatest good, prosperity, blessing? Nothing of this. Is it politically possible?

COMMERCIAL SLAVERY.

Because of our unsound currency system, which politics will not allow to be remedied, we have been working four years for nothing, business concerns have made no profit, and have been steadily using up their capital.

Alas, poor America—my poor countrymen. Are we then a nation of slaves?

Not more binding, grinding, misery-breeding, the tyranny of Russia, than this tyrant politics, which rules our business world.

Not more degraded the serfs of the broad white plains than we of America, bound down with the chains of political possibility—slaves to a system which makes us labor day by day with no reward—brain and muscle wasted because of bad legislation, which brings to naught all our agony of toil and extorts every dollar of profit from our utmost exertion.

When will all this be changed?

I cannot but feel that a nation which is at heart right, which has freed the black slave at a cost untold—will at last turn upon its persecutors and free the white slave as well—will cast off the shackles from the business toiler and give us at last commercial freedom in these great States.

My fellow laborers—business men of the United States: be not deceived by prosperity, as you were in 1879, but insist that the cancer be cut out by legislation, that sound currency laws be enacted, commercial freedom established, and no chance left open for another '93, or, worse still, for the annihilation which would follow another '96.

JOHN W. FAXON, of Chattanooga, Tenn.: Mr. President—On behalf of the southern delegates to the American Bankers' Convention, I desire to extend the sincere thanks of the South for the high compliments shown us by the Executive Committee, of Detroit, in placing upon their souvenir the features of the Honorable Robert J. Lowry. We esteem this not only as an evidence of kind feeling for our southern section of the country from the Detroit bankers, but also as an evidence of the high esteem in which our worthy President is held by our northern brethren. (Applause.)

And while I am on my feet, sir, I desire to offer the following resolution:

Whereas, The phenomenal growth and welfare of this Association is largely due to the energy and ability of the Secretary, Colonel James R. Branch;

Resolved, That the thanks of this Convention be, and they are hereby, tendered to Colonel Branch for his unflagging interest in our work, and his successful efforts to promote the welfare of the Association. (Applause.)

ALVAH TROWBRIDGE, (Chairman of the Executive Council): Gentlemen—These two modest young men do not dare to stand up and answer for themselves. So, on their behalf, I wish to assure you that your reception of Mr. Faxon's remarks are very grateful to them. I will now put the question on the adoption of the resolution. Those in favor of the adoption of the resolution offered by Mr. Faxon, of Tennessee, will say aye; those opposed, no. Adopted.

THE PRESIDENT: We have received several letters and telegrams of regret from various persons—among others from ex-Comptroller of the Currency A. B. Hepburn, of New York; James G. Cannon, of New York, and they will be printed in our Proceedings. There is also a resolution which was presented by Mr. A. J. Frame, of Wisconsin, which will be published with the Proceedings and not read to the Convention now.

The communications and resolution are as follows:

THE NATIONAL BANK OF CALIFORNIA,
LOS ANGELES, August 9, 1897.

To the American Bankers' Association:

Gentlemen—I desire to invite the attention of the Association at this year's meeting to the following plan for the improvement of our banking currency and business conditions as demanded by the people, at the polls in November, without regard to party.

I. The Government to retire from the banking business, redeem its demand obligations and hereafter confine itself to its unquestioned constitutional powers, simply certifying the value and character of the coin and currency issued under its supervision.

II. Authorize National bank circulation to the par of United States bonds deposited and compel banks to deposit bonds to the extent of their capital stock and take out circulation to the extent thereof at least, until the volume of the Government currency outstanding is retired.

III. Provide for an emergency circulation to be issued against clearing-house certificates of redemption cities, secured by preferred bank assets, to the extent of 80 per cent. thereof; such circulation to be taxed by the Government at the rate of 5 per cent. per annum, for the first two months, with an increase thereafter of 1 per cent. per annum for each month thereafter, until legal deposit is made in the United States Treasury to redeem the same.

IV. Abolish present tax of 1 per cent. per annum on circulation and enact a tax of ¼ per cent. per annum on all circulation and liabilities of National banks, other than capital, surplus and undivided earnings. This tax to be used to pay expenses of the offices of the Comptroller of the Currency, and to create a sinking fund to pay obligations promptly of National banks hereafter failing, on approval of Comptroller of the Currency.

V. Declare National banks legal depositories for all moneys, private, corporate, or national, State or municipal, without bonds.

VI. Prohibit National banks from paying interest on deposits or loans of any character, except on recommendation of nearest clearing-house association approved by Comptroller of the Currency.

VII. Require National banks, pro rata, to furnish the Government any amount of money at any time desired by the Government, at 2 per cent. per annum interest, payable at the pleasure of Government as present 2 per cent. bonds now are.

VIII. Defer all movements to issue national currency against general assets, or other than United States bonds, until taxes are largely reduced for the masses of the people and until the national indebtedness is greatly reduced.

Very respectfully,
(Signed) JOHN M. C. MARBLE.

WAR DEPARTMENT—OFFICE OF THE SECRETARY.
HOTEL CHAMPLAIN, Clinton County, N. Y., August 14, 1897.

Dear Mr. Branch—Your letter of August 11 has been forwarded to me here from Washington, and it is with a great deal of reluctance that I am compelled to decline the invitation to be present at the American Bankers' Convention in Detroit on the 17th, 18th and 19th of this month. A previous engagement with the President, which I must keep, makes this declination compulsory.

I exerted all my efforts to secure for the meeting the presence of Mr. Gage, but pressure of official business will make it impossible for him to leave Washington, as you already know.

With sincere regrets at my inability to be present on this occasion, I am

Very truly yours,

(Signed) R. A. ALGER.

JAMES R. BRANCH, ESQ., 20 Broad St.. New York, N. Y.

TELEGRAMS.

NEW YORK, August 16, 1897.

James R. Rranch, Secretary, Headquarters American Bankers' Association, Detroit, Mich.

Regret that the illness of Mrs. Cannon prevents my attending the Convention as expected. I hope that you may have a very successful Convention, and that the Pullen amendments will go through in good shape.

(Signed) JAMES G. CANNON.

NEW YORK, August 17, 1897.

Capt. R. J. Lowry, President American Bankers' Association, Detroit, Mich.

Unusual pressure of business prevents either Cashier or myself from being present. I congratulate you upon your successful administration, and congratulate business interests generally upon the growing usefulness and influence for good of the American Bankers' Association.

(Signed) A. B. HEPBURN.

NASHVILLE, Tenn., August 18, 1897.

Hon. Robert J. Lowry, President American Bankers' Association, Detroit, Mich.

The Tennessee Centennial Exposition, projected in a period of great financial distress and political uncertainty, was successfully opened on May 1, since which time nearly one million people, including the President of the United States and his Cabinet, the Governors of twelve States and many other distinguished citizens, have witnessed this wonderful achievement. As the first State to thus celebrate its admission into the Union, it has set the pace for its younger sisters, and every American should, therefore, visit Nashville and see what the volunteer State has done. The management of the Tennessee Centennial Exposition extends a cordial invitation to the American Bankers' Association to visit their beautiful White City. I regret I am unable to be present at your meeting to offer this invitation in person.

(Signed) HERMAN JUSTI,
Chief Bureau of Publicity and Promotion.

RESOLUTION FOR AMERICAN BANKERS' ASSOCIATION, BY A. J. FRAME, WAUKESHA, WISCONSIN.

Whereas, For years past the untruthful statement has been freely proclaimed by a portion of the press and by demagogues on the platform for political and other reasons, that the banks of the country brought on the panic of 1893 for the purpose of fleecing the general public and making extra profit for themselves; and

Whereas, Many well-meaning people have come to believe the oft-repeated song of error; and

Whereas, Official statistics, as reported by the United States Comptroller of the Currency, in his report for 1896 give *proof*, not *theory*, that the National banks of the United States made net profits on capital and surplus for one year previous to the panic and three years since, as follows:

For the year ending March 1,	1893	7 4-10 per cent. net.
" " " " "	1894	5 6-10 per cent. net.
" " " " "	1895	5 per cent. net.
" " " " "	1896	5 4-10 per cent. net.

Thus officially and irrevocably disproving the corrupt charges, and conclusively proving that when the people suffer, the banks suffer proportionately with them; therefore be it

Resolved, That the press of the land are hereby requested to give wide publication of the official facts, to the end that better relations may exist between labor and capital.

The following communication, received by the Executive Council, was ordered printed in the Proceedings of the Convention:

THE ADOPTION OF THE GOLD STANDARD BY JAPAN.

The use of the "precious metals," gold and silver, as money dates from early antiquity, a period antedating historical records. It is known that they were thus used at least 2,000 years B. C. Beautiful and rare, indestructible, homogeneous, and easily divisible, possessing great value in small bulk, gold and silver by a process of natural selection became the money of civilized nations.

The transition from the use of both the precious metals as standard money to the use of gold alone, which has taken place within the last quartery of a century, is probably the most remarkable evolution which has ever taken place in the commercial history of the world. At even so recent a date as the early seventies all of the European countries, with the single exception of England (and her dependency, Portugal) used silver as a standard of value, either alone or under the bimetallic system. The same was true in the United States and the Continents of North and South America. In the Orient silver was the only standard money.

In the brief period of less than twenty-five years we have seen this ever-spreading tendency in favor of the gold standard progress with such tremendous velocity that to-day not a single country in Europe coins silver as standard money; the United States has abandoned it, the mints of British India are closed to its coinage, and last of all the Japanese Empire, flushed with its large money indemnity from China, has abandoned its ancient money, silver, and adopted the gold standard.

The history of this evolution is brief and interesting. In July, 1873, the gold standard (adopted in 1871) was put in force in the German Empire, replacing the different currency systems based on silver which had previously existed in the countries forming the new Empire. Almost immediately the Scandanavian countries (Norway, Sweden and Denmark) followed suit and adopted the gold standard. In 1874 the states of the Latin Union, (France, Italy, Switzerland, Belgium and Greece) restricted the mintage of standard silver coins, and two years later suspended such coinage. In 1875 Holland, which had been on a silver basis since 1847, adopted the gold standard. Austria-Hungary and Russia (countries having legally the silver standard but practically a paper *regime*) promptly suspended silver coinage; the former country has lately resumed specie payments on a gold basis, and the latter is preparing to do the same. In 1873 the United States adopted the gold standard. In 1893 India closed its mints to the coinage of silver for individuals. More recently Chili, Costa Rica, and other countries of South and Central America have adopted the gold standard. By the law of March 8, 1897, Japan, which for many years had theoretically the bimetallic system but practically the silver standard, changed to the single gold standard, a very remarkable change for a people so closely associated with the silver-using countries of China and the Straits. This important step upon the part of Japan was not taken until after the most mature consideration. It is the result of an exhaustive examination by a monetary council established by the Imperial ordinance in 1893, which council spent about two years in investigating the following subjects submitted for its consideration:

1st. What are the causes and general effects of the recent fluctuations of the relative value of silver to gold?

2d. What are the effects of such fluctuations upon the economic condition of this country?

3d. Do such fluctuations necessitate a change in the monetary system of the country? If they do, what standard and how shall it be adopted?

Without rehearsing the interesting and instructive report of the Commission, the gist of the reasons for the change is contained in the following extract from the formal statement made by Count Matsukata, the Japanese Premier, before the Diet on March 8, 1897, in support of a bill introduced into the Diet by the Cabinet, recommending the change from the silver to the gold standard:

I wish now to speak on the necessity and benefits of the proposed change. Firstly, a gold standard has the advantages of making prices steadier, for, as compared with silver, gold is more stable in value, and if the standard of value is steady, prices as measured by the standard must also be steady. Rising prices make markets active for a time, but will soon affect the material and wages, injure the productive power of the country, and tend to decrease exports; while suddenly falling prices cause losses to the commercial and economic world. Then it is best that prices do not fluctuate violently, but it is impossible to avoid such fluctuations with a silver standard, and the only remedy is to be found in a gold standard. Secondly, a gold standard will tend to increase exports; for, while it makes commercial transactions with foreign countries adopting a similar standard more convenient, it enables the country to avoid violent fluctuations of prices and tends to develop her industry. Again, a gold standard diminishes the exchange fluctuations; Japan's commerce has been frequently hampered by the fluctuations of exchange with gold countries consequent upon the fluctuations of silver. If she adopts a gold standard now, all such evils will not be repeated. Another advantage is that of enabling the country to extend her machinery of circulation. As Japan progresses, it becomes necessary for her to be in constant touch with various foreign markets, but at present she is isolated from foreign countries in respect of circulation. Such inconvenience will be obviated by a gold standard, which will render the circulation between foreign and native markets smooth and give many other financial advantages.

Japan is practically the first of the Oriental countries to voluntarily abandon silver and adopt the gold standard, for while the mints of British India have been closed by the home Government to the coinage of rupees for individuals, India is still a silver-using rather than a gold-using country.

The inquiry naturally suggests itself, which will be the next important country to follow suit? We answer, probably China. The same powerful reason which forced the change upon Japan, viz.: the necessity of a stable rate of exchange with Europe and America, will operate with equal force upon the Chinese Empire, with the additional motive in the case of China of being able to negotiate European loans at reasonable rates.

The export of gold from China to foreign countries amounts to about $8,000,000 annually, and is steadily on the increase, while the imports of silver, which aggregated 15,000,000 ounces in 1895, came principally in exchange for gold exported. The Chinese have no currency of their own, except copper cash. Large transactions are settled in silver by weight, the principal money of payment being Mexican dollars. The transition, therefore, to the gold standard would be a comparatively simple matter upon the part of China.

("Standard money" in this article means "full legal-tender money.")

THE PRESIDENT: There was a committee appointed yesterday, of which Colonel Jo n T. Branch, of Richmond, Va., is chairman, and if that committee is ready to report, we will hear from it now.

JOHN P. BRANCH, of Richmond, Va.: Mr. President and Gentlemen—Your committee begs leave to report the following:

Whereas, The President of the United States suggests that a Currency Commission be appointed, and the Secretary of the Treasury urges immediate action; and

Whereas, We are convinced that the currency question is the vital commercial question of the day, and that we cannot hope to attain that measure of prosperity to which our energy, industry, and inexhaustible resources entitle us, until our currency is placed upon a firm foundation; therefore, be it

Resolved, That Congress be urged to provide promptly for a competent, non-partisan Currency Commission, to thoroughly investigate and report without delay; also, be it further

Resolved, That the President of this Association shall appoint a committee of five, of which he shall be chairman, to further and promote the appointment of a Currency Commission by Congress.

The resolution was seconded and adopted.

The Chair appointed, under the above resolution, the following committee:

Robert J. Lowry, Atlanta, Ga.; John P. Branch, Richmond, Va.; Charles C. Homer, Baltimore, Md.; John L. Hamilton, Hoopeston, Ill.; E. H. Perkins, Jr., New York city.

The President: A telegram has been received from the sub-committee of the Indianapolis Monetary Conference, which is now in session at Saratoga, N. Y.:

Saratoga, N. Y., August 18, 1897.

Robert J. Lowry, President American Bankers' Association, Detroit, Mich.

The Executive Committee of the Indianapolis Monetary Convention cordially acknowledges the greeting of the American Bankers' Association, and hopes that it may be the forerunner of like sympathy and co-operation from all the business interests of our country, in a united demand for wise and practical measures for the improvement of our currency and banking laws.

(Signed) H. H. Hanna, *Chairman.* (Applause.)

The President: The report of the Committee on Nominations is next in order, but with the permission of the Convention, I would like to have that passed over for the present. There being no objection, it is passed until we dispose of the rest of the programme.

N. B. Van Slyke, of Madison, Wis.: Mr. President—I desire to take the time for a brief space while I ask that the following minute may be entered upon the records of this Association, in honor of an esteemed and illustrious member of this Association:

The American Bankers' Association hereby records its sense of sorrow and regret at the death on February 14, 1897, of William P. St. John, formerly the President of the Mercantile National Bank of New York city, and sometime a member of the Executive Council of this body. He was a frequent attendant at our annual meetings, and held a high place in the esteem of his fellow bankers as a man of strict integrity, and of quick sense of honor. His tenacity of conviction inspired respect, where it did not win sympathy. His gentleness in spirit, genuineness in character, and grace in manner, made him ever welcome where bankers were gathered.

Cast in the mould of a knight of old, with all of the spirit of a crusader, devoted to a cause which to him seemed sacred, he counted nothing as too great for sacrifice in any conflict between his interests and his ideas. We mourn his untimely death, and remember gratefully his nobility of mind and character and his strong moral nature. (Applause.)

Henry W. Yates, of Omaha, Neb.: Mr. President—I take great pleasure in seconding the adoption of that minute on our records. William P. St. John was, indeed, a knight-errant of old, and in the case of what he believed to be an invincible armor, he never hesitated, like a second Don Quixote, to fling himself upon the hosts of his adversaries, no matter how numerous they might be, or how high their intellectual stature.

I remember at the Convention in Kansas City, in 1889, Mr. St. John engaged in debate that Ajax of the sound-money cause, the reputed father of the "crime of '73," the Hon. John Jay Knox, and it is only fair to Mr. St. John to say that he came very near carrying that Convention with him.

Subsequently, at a meeting of the New York State Bankers' Association, which I had the honor of attending, a resolution was offered on the money question, and was hotly debated, and when the vote was taken, this minute was entered upon the record: "Carried unanimously, except Mr. St. John, of New York city."

But, gentlemen, Mr. St. John has now crossed the dark river, and all recollection of the differences that we may have had with him should be buried there. I think the minute that is proposed to be incorporated in the records of this Association eminently fit and proper. (Applause.)

The minute was adopted unanimously by a rising vote.

Frederick B. Schenck, of New York City: Mr. President and Gentlemen—As the successor in office of Mr. St. John, as administrator of his affairs, associated with his mother in so doing, and as executor of his estate, I desire the privilege of expressing my appreciation of the adoption of the resolution, or minute, just made by your body. I thank you for it. (Applause.)

THE PRESIDENT: Mr. Lawrence B. Kemp, of Baltimore, informs me that he withdraws his paper. The next paper is entitled, "What can be Done to Increase the Usefulness of the American Bankers' Association?" by Frank W. Tracy, of Springfield, Illinois.

ADDRESS BY FRANK W. TRACY, PRESIDENT FIRST NATIONAL BANK OF SPRINGFIELD, ILLS.

How shall the American Bankers' Association be made more useful, is the topic assigned to me.

To the members of the Association I hardly need address myself. The same thoughtful intelligence which has brought such good results in the past will do even better in the future, because our Association has now put off the swaddling clothes of infancy and is entering into a vigorous manhood. It is now in a position where it can make its influence felt. It is strong enough to enter the legislative field, where it can create law.

Let us review some of the results we have accomplished. I believe the great battle at the polls last year was precipitated by this Association. At Baltimore, in 1894, we began a discussion for the reform of our currency. The addresses made there aroused the attention of the entire country, bringing the question so prominently before thinking people that the politicians were obliged to take notice. So thorough and vigorous was the discussion of this great matter by people in every walk of life, that for the first time in the history of American political parties the two sides of the financial question were brought before the people to settle without any attempt by either party to straddle.

The Populists and their allies boldly announced their 16 to 1 views, and the opposition as boldly stood upon gold as the only standard of value. The great American people are always honest, and the result was the free silverites met their Waterloo.

I have no doubt Congress will within three years, assisted by our efficient and thoughtful Secretary of the Treasury, reap the results of the victory in a comprehensive plan of currency reform, which will convince the world that the American dollar will be as stable in value as the English pound sterling.

Need I say to you what that means? Can any one of you forecast the millions of dollars which will be invested in American enterprises when the world is satisfied of the stability of the American dollar? England owes its supremacy to-day in the commercial world solely to the fact that it has always doggedly and obstinately preserved the value of its pound sterling.

Whilst the American Bankers' Association has been doing its work for the benefit of the whole American people, it has also done a little work on a selfish basis for its own members.

At Baltimore, I remember how chagrined President Odell and myself felt when we could not get the Association to adopt the protective feature, which was then broached for the first time. I suppose the interest in the currency discussion was so intense that this selfish feature seemed too small at the time. But the seed was sown. and at the next meeting of the Executive Council in Chicago the plan was adopted and a beginning made.

It has now been in operation for two and a half years. and what is the result? If a burglar gets into a bank vault and sees the talismanic sign "Member American Bankers' Association," he looks around in affright, with hair standing on end; he drops his tools and flees without further effort. If a sleek forger goes into a bank with his forged paper skilfully drawn and sees that same sign, he puts the paper in his pocket, quietly hands out a five-dollar bill and asks the teller for change.

The Association is relentless in its pursuit of criminals. They know this and therefore are very shy of committing an offence against its members.

We are at this session introducing a plan to assist the lawyers in getting a uniform law in all the States on commercial paper. You are all aware of the present confused condition of the law in the different States. Indeed, it is said that the general statement of differences occupies more than a dozen pages in the first volume of Mr. Stimson's American Statute Law.

I am told by prominent lawyers that so confusing has become the decisions that frequently two courts sitting in the same city, one a United States court and the other a State court, will render divergent opinions on the same question in commercial law.

The American Bar Association has for some time recognized these difficulties and has had prepared a very clear and forcible bill, which was reported here the other day.

Our purpose is to work with that association in an effort to enact this into law. I believe we will succeed. I think by these good works we have proved our right to exist. But there are many bankers who are not yet convinced that the American Bankers' Association is anything but a medium, as they say, of having a good time at their annual meetings.

They remind me of a story told by Dr. Wines, Superintendent of Public Charities in Illinois. In one of the insane asylums of that State there is a patient who has the hallucination that he is dead. Although he walks, talks, works a little, eats and his food digests, yet he believes he is dead. One day the Doctor had a particularly bright thought and said to his patient, "Did you ever see a dead man bleed?" "No," was his answer. "Did you ever hear of a dead man bleeding?" "No," he replied. "Do you believe a dead man can bleed?" "No," was again his response. "Very well," continued the Doctor, "If you will permit me, I will try an experiment on you." "All right," replied the patient. When the blood began to trickle down the lunatic's arm the Doctor triumphantly exclaimed, "You see you bleed; that proves you are not dead." Not at all," quietly replied the patient; "It simply proves that a dead man can bleed."

They say that at Baltimore we spent our time eating terrapins. These men forget that man is a social being, and the nearer the banker is to being an average man the better banker he is. The banker should be an all-around man, able to meet his fellow men on all sides of their characters. He should enjoy wit and humor as well as religion. He should know how to dance as well as to think out the financial problems of his community. The Bankers' Association, therefore, provides at its annual meetings food for the body as well as for the mind, and cultivates the social graces as well as abstruse financial problems. When we can wake up these bankers to the belief that our Association is alive, they will probably join with us. With them will come strength in numbers, added intelligence and thoughtfulness. We will then be able to make the people scorn the teachings of the Populist, who would have them believe that the banker lives by sucking their life-blood. The people would then know, as most of them do now, that the banker can only succeed on the prosperity of his customers. That the customers' good will is as essential to the success of the bankers as it is to the success of the merchant. The bankers then will have learned not only how to keep burglars and forgers from getting into their banks but also that other lesson—how to punish and keep out of banks the inside thieves, who, with merciless ingratitude, rob their benefactors.

Then the American Bankers' Association will have abolished panics, because they will have passed laws by which depositors in all banks will be protected against loss by the United States Government. I need not discuss the details of this. It can be done, and I believe the time will come when the Bankers' Association will see that it is done.

Gentlemen, I have done. What we need, in short, is a vigorous effort to convince every banker in the United States that his true interest lies with this Association. That by joining it he not only promotes his own interests, but he makes it more useful to the members and to the American people. (Applause.)

THE PRESIDENT: Mr. Lawrence B. Kemp, of Baltimore, informs me that owing to the lateness of the hour and the other important business yet to come before the Convention, he withdraws his paper. The next subject is, "When a bank receives from a depositor a check on itself, drawn by another of its dealers, and credits same on the pass-book of the depositor, is that check paid for, or has the bank the right to return it the same day to the depositor, and by so doing cancel the credit on the depositor's pass-book?"

Discussion to be opened by Eugene H. Pullen, Vice-President National Bank of the Republic, New York. (Applause.)

E. H. PULLEN, of New York: Mr. President and Gentlemen of this Association—The proceedings are getting to be so long-winded, with an excursion in view, and an exciting election at hand, that with your permission I will hand my paper to the Secretary to be printed in the Proceedings.

THE PRESIDENT: The request of Mr. Pullen is regretfully granted, because it deprives us of the pleasure of listening to him in person.

[Mr. Pullen's paper will be printed in the next number of the MAGAZINE.]

THE PRESIDENT: The next subject on the programme is entitled, "Currency Shipments by Registered Mail." Discussion to be opened by Mr. Charles R. Hannan, President Iowa Bankers' Association.

[Mr. Hannan's paper is reserved for publication in a subsequent number.]

HARVEY J. HOLLISTER, of Grand Rapids, Mich.: Mr. President—I think the paper to which we have just listened is one of the most practical we have ever had in the Association. We were compelled to take up the sending of money by registered mail some time ago, and since then we have sent hundreds of thousands of dollars in that way, and I want to commend that course to every banker in the United States. (Applause.)

THE PRESIDENT: The next and last paper on the programme, gentlemen, is entitled, "Express Money Orders," by L. P. Hillyer, Secretary of the Georgia Bankers' Association.

EXPRESS MONEY ORDERS.—ADDRESS BY L. P. HILLYER.

Mr. President and Gentlemen of the American Bankers' Association—In discussing the subject, "Express Money Orders," I feel the same embarrassment which a certain young convert must have felt when he was called upon for the first time to lead the prayer meeting. He opened the Bible at the first chapter of Matthew, which those of you who are Bible students will remember tells of Abraham begetting Isaac and Isaac begetting Jacob and Jacob begetting Judah, and so on down the genealogical line for forty two generations. When he had finished the chapter he very timidly said, that if any of the congregation had any remarks to make on what he had just read, he would be glad to hear from them; but, Mr. President, in spite of my embarrassment, and in all seriousness, I hope you and the rest of the distinguished gentlemen present will listen to what I have to say.

The express companies of this country have inaugurated a "money order" system which is one of the finest in the world. They have combined their forces, and with the aid of their thousands of branch offices and hundreds of strong banks throughout the Union, with whom they keep their deposits, they have succeeded in perfecting an order which can be cashed almost anywhere. I think they deserve abundant credit for their fine work.

I am not one of that number who is ever ready to complain of every great corporation, trust or combine which happens to succeed. So long as powerful corporations obey the law of the land, and work honestly for what they get, I want them to have it. The grandest achievements of this most progressive age could never have been accomplished if the nineteenth century had started on its cycle with "every man for himself." The combination of capital and brains is the lever now which moves the world. The tendency is for all mutual enterprises to organize for mutual protection and for the dissemination of useful knowledge regarding their respective interests. For this very purpose the great American Bankers' Association was formed. For years its members have seen the express companies gradually take from them the business which they were powerless to hold, until now, in some sections of the country, the selling of small drafts over the counter is almost discontinued.

I do not censure the express companies; I applaud their shrewdness. They have captured our business by fair means; and a heavy business it is! By consolidation of capital and business genius, they have given the public an order which is better than anything we have yet offered, because, in the cities, and the towns, and the highways, and the hedges, they have established agencies which are bound to cash them. There is nothing to compete with them in this country, except the post-office throughout the Union.

I cannot speak now of the competition which the general Government wages against us in the issuing of post-office money orders, for, as Rudyard Kipling says, "that's another story." But I do believe that the American Bankers' Association is big enough, and powerful enough, and rich enough and wise enough to perfect a money order system which will compete with and overcome every other money order system that any corporation has devised, or ever can devise.

At a meeting of the Georgia Bankers' Association, last year, Messrs. W. L. Peel, J. A. McCord and W. S. Witham, all of Atlanta, Georgia, explained to our members a system of circular checks, which they asked our Association to adopt. It was designed for the purpose of competing with the express companies and post offices within the borders of our own State. The majority of our members have adopted the system and up to the present time we have heard no complaints.

Now, if the Georgia Bankers' Association, with its limited membership, can get up a check which will be cashed anywhere in the State of Georgia, and in many cities in other States, including the beautiful city of Detroit and the great city of New York, why cannot the American Bankers' Association, with its thousands of members, from Maine to California, and from Oregon to Florida, produce a check which will be cashed anywhere.

Evolution enters into every enterprise. I was talking a few years ago with the Hon. Lyman Gage about the immense volume of business transacted by his bank, the First National of Chicago, and I asked him by what process he perfected the system which enabled him to detect the slightest error or defalcation of any of the battalion of clerks, even to the filching of a few postage stamps, and his laconic reply was, "Evolution!" Our distinguished Secretary of the Treasury was right. It is by evolution that we reach the successful climaxes of great enterprises, and who can prophesy the ultimate benefit to commerce if a safe system of circular checks should be inaugurated by the American Bankers' Association.

It is within the pale of possibilities that a circular check or money order could be so successfully devised that, in the course of a few years it would not only be cashed everywhere, but it would circulate from hand to hand with as much confidence as National bank notes do to-day. A circulation, too, that would not be taxable any more than drafts on New York are taxable.

But, Mr. President, as Grover Cleveland once said, "We are confronted by a condition, not a theory." The time has come for us to act. The time was when the profits derived from the selling of exchange almost, if not quite, paid the running expenses of our banks. Where have these profits gone? They have been taken from us by the express companies and the post offices.

I have not time to advocate any particular plan of attack, and I doubt my own ability to cope with our competitors, but the requisite ability is here, and I sincerely hope that this Association will appoint a strong and wise committee to formulate a money order system, whereby we can stem the tide which has so fearfully set in against us. Let us not fear to fight. If there were no dangers to encounter, there would be no need for courage. The problem of competing with the express companies and post offices I leave with this Association to solve. It is a knotty problem, I confess, and calls for our best material and brightest manhood to master it. And in conclusion I will say that, should you see fit to appoint a committee to handle this great question, as I hope you will, let that committee remember that :

"In the reproof of chance
Lies the true proof of men: the sea being smooth,
How many shallow bauble boats dare sail
Upon her patient breast, making their way
With those of nobler bulk!
But let the ruffian Boreas once enrage
The gentle Thetis, and, anon, behold
The strong-ribbed bark through liquid mountains cut,
Bounding between the two moist elements,
Like Perseus' horse: Where's then the saucy boat,
Whose weak untimber'd sides but even now
Co-rivalled greatness? Either to harbor fled,
Or made a toast for Neptune. Even so
Doth Valor's show and Valor's worth, divide,
In storms of Fortune!" (Applause.)

WILLIAM C. CORNWELL, of Buffalo, N. Y.: Mr. President and Gentlemen—I have a very important resolution, which I ask the privilege of presenting at this time:

Resolved, That this Convention is under the greatest obligations to the banks and bankers of Detroit; to Mr. George H. Russel, and his Committee, for their royal welcome, and magnificent entertainment of the visiting bankers, their wives and friends; also to the clubs of the city; to the press; to the Governor of the State; to the Mayor of the city, and the citizens generally; and that we tender them a unanimous vote of thanks.

The resolution was seconded and adopted by rising vote.

MR. BENNETT, of Pennsylvania: Mr. President—I think those resolutions are lacking in one essential feature. Many of us are under special obligations to the ladies of Detroit. (Applause.) Therefore, I move a special vote of thanks to the ladies of Detroit for their kind and courteous attention to our wives, sisters, aunts and sweethearts, who have accompanied us to this city. (Applause.)

The motion was seconded and carried by a rising vote.

THE PRESIDENT: I thought the gallant Mr. Cornwell slipped up when he left the ladies out.

MR. CORNWELL: I was aware that the gentleman was about to offer such a resolution, and I thought, and I think now, that the ladies deserve a separate and special resolution, and for that reason I did not include them in my resolution. (Laughter and Applause.)

THE PRESIDENT: Gentlemen, the Committee on Nominations is ready to report. Give your attention to the Chairman, Mr. W. H. Thomson, of St. Louis.

W. H. Thomson, of St. Louis, Mo. Mr. President and gentlemen, I beg leave to submit the following report on behalf of your committee:

To the American Bankers' Association in twenty-third annual session, Detroit, Mich.

Gentlemen—The undersigned, a Nominating Committee, chosen by the delegations from the various States, under Section 2, of Article III of the Constitution, as amended at this convention, hereby nominate to the Association in session, the following list of officers for the ensuing year:

For President—J. C. Hendrix, President National Union Bank, New York city. (Applause.)
For Vice-President—F. W. Tracy, First National Bank, Springfield, Ill. (Applause.)

For Vice-Presidents (by States).

Alabama..........J. B. Cobbs, President Berney National Bank, Birmingham.
Arizona..........M. B. Hazeltine, Ass stant Cashier Bank of Arizona, Prescott.
Arkansas.........George T. Sparks, First National Bank, Fort Smith.
California.......S. Prentiss Smith, Assistant Cashier Bank California, San Francisco.
Colorado.........M. D. Thatcher, President First National Bank, Pueblo.
Connecticut......W. H. Newton, Cashier First National Bank, Wallingford.
Delaware.........James P. Winchester, President First National Bank, Wilmington.
Dist. Columbia...Clarence Norment, President Central National Bank, Washington.
Florida..........None.
Georgia..........G. Gunby Jordan, President Third National Bank, Columbus.
Idaho............C. W. Moore, President First National Bank, Boise City.
Illinois.........Homer W. McCoy, 2d Vice-President Merchants' National Bank, Peoria.
Indiana..........Jos. I. Irwin (Private Banker), Columbus.
Ind. Territory...Don Lacy, Cashier City National Bank, Ardmore.
Iowa.............S. F. Smith, Davenport National, Davenport.
Kansas...........P. I. Bonebrake, President Central National Bank, Topeka.
Kentucky.........B. G. Witt, Cashier Ohio Valley Banking and Trust Co., Henderson.
Louisiana........W. J. Knox, President Bank of Baton Rouge, Baton Rouge.
Maine............Edward Stetson, President First National Bank, Bangor.
Maryland.........George B. Baker, President Third National Bank, Baltimore.
Massachusetts...Harry L. Burrage, Cashier Third National Bank, Boston.
Michigan.........E. J. Phelps, President Kalamazoo National Bank, Kalamazoo.
Minnesota........S. McKennan, Cashier Bank of Marshall, Minn.
Mississippi......J. H. Wright, Vice-President Meridian National Bank, Meridian.
Missouri.........J. P. Huston (Wood & Huston), Marshall.
Montana..........None.
Nebraska.........Milton T. Barlow, President United States National Bank, Omaha.
New Hampshire..George S. Bond, President Conn. River National Bank, Charlestown.
New Jersey.......T. W. Crooks, President Essex County National Bank, Newark.
New Mexico.......J. S. Raynolds, President First National Bank, Albuquerque.
New York.........Charles Adsit, Cashier First National Bank, Hornellsville.
North Carolina.J. G. Brown, President Citizens National Bank, Raleigh.
North Dakota...C. B. Little, President First National Bank, Bismarck.
Ohio.............I. E. Knisely, President Northern National Bank, Toledo.
Oklahoma.........J. A. Stine, President Exchange Bank, Alva.
Oregon...........John A. Devlin, President First National Bank, Astoria.
Pennsylvania....H. C. Parsons, President West Branch National Bank, Williamsport.
Rhode Island....Gilbert A. Phillips, President Manufacturers' National Bank, Providence.
South Carolina.R. G. Rhett, President South Carolina Loan and Trust Co., Charleston.
South Dakota....John Clay, Jr., President Butte County Bank, Bellefourche.
Tennessee........C. F. M. Niles, President Continental National Bank, Memphis.
Texas............M. Lasker, Vice-President First National Bank, Galveston.
Utah.............H. S. Young, Cashier Deseret National Bank, Salt Lake.
Vermont..........C. W. Woodhouse, President Merchants' National Bank, Burlington.
Virginia.........Walter H. Taylor, President Marine Bank, Norfolk.
Washington......Jacob Furth, President Puget Sound National Bank, Seattle.
West Virginia...L. E. Sands, Cashier Exchange Bank, Wheeling.
Wisconsin........Byron B. Northrop, Cashier Manufacturers' National Bank, Racine.
Wyoming..........H. G. Hay, President Stock Growers' National Bank, Cheyenne.

For Members of the Executive Council.

1. J. G. Cannon, New York.
2. P. W. Huntington, Ohio.
3. Robert J. Lowry, Georgia.
4. J. B. Findlay, Pennsylvania.
5. J. E. Sands, West Virginia.

We also present the nominations for members of the Executive Council made by the delegates of the various State associations, according to Section 1 and Section 2 of Article III of the Constitution, as amended at this Convention:

F. G. Bigelow, Wisconsin; John P. Branch, Virginia; F. W. Hayes, Michigan; A. G. Campbell, Mississippi; J. C. Hunter, Minnesota."

F. W. Hayes, of Detroit, Mich.: Mr. President—I learned this morning of the meeting of the Nominating Committee, and, much to my surprise, that I had been nominated by the delegates of the Michigan State Bankers' Association as a member of the Executive Council. The honor was unexpected and unsolicited, and while it is fully appreciated, it is not desired at this time. I therefore respectfully decline, and ask that the vacancy be filled by some one else. In regard to the nominations made by the committee, I wish to say that Michigan wants only one place, and that is the office of Vice-President, for which it is the unanimous wish of the Michigan delegation that Mr. George H. Russel should be nominated, (applause), and, so far as I can do so, I would like to have that wish carried out.

John Farson, of Chicago: Mr. President—For the splendid ticket submitted by the Nominating Committee, I move you, sir, that the Secretary be instructed to cast one ballot for its election, with the exception of the name of Mr. Hayes, on the Executive Council, as he withdraws.

Walker Hill, of Missouri: I was Chairman of the State Associations' meeting held yesterday evening, and now that Mr. Hayes declines, I nominate Mr. G. W. Gerald, of St. Louis, on the Executive Council in his place. The last ballot that we took was a tie between the fifth and sixth man, Mr. Gerald being the sixth man. Therefore, unless there is some objection by some delegate from some State association, I declare Mr. Gerald the fifth member of that committee.

The President: There being no objection, it is so ordered.

James H. Willock, of Pittsburg: I move that the Secretary be instructed to cast one ballot for the election of Joseph C. Hendrix, as President of the Association.

Mr. Farson: My motion takes precedence of that, Mr. President.

The President: Mr. Farson's motion cannot be put, for the reason that there are two candidates for the office of Vice-President, Mr. Russel having just been nominated by Mr. Hayes.

William H. Rhawn, of Philadelphia: I think the Chair is in error. Mr. Hayes did not make any nomination. He said it was the desire of the Michigan delegation that Mr. Russel should be nominated, but he did not nominate him.

Mr. Dennison, of Philadelphia: I rise to a point of order. Is not the first thing in order the adoption of the report of the Nominating Committee?

Mr. Anderson, of Washington, D. C.: The adoption of the report would carry with it the election of the gentlemen named.

Mr. Dennison: Then I move that the report be received.

The motion was seconded and carried.

Mr. Willock: Now I renew my motion, that the Secretary cast one ballot for the election of Mr. Hendrix as President.

The motion was seconded and carried.

Secretary Branch: It gives me great pleasure to cast the unanimous vote of this Convention for Joseph C. Hendrix, of New York, for President of the Association.

THE PRESIDENT: I declare Mr. Hendrix unanimously elected President of this Association for the ensuing year. (Applause.)

Now we will proceed to the election of First Vice-President, for which there are two nominations—Frank W. Tracy, of Springfield, Ill., and George H. Russel, of Detroit.

FRED. HEINZ, of Davenport, Ia.: There is no one nominated except Mr. Tracy. He is the only one named by the Committee.

THE PRESIDENT: The Chair understands that Mr. Russel has been put in nomination by Mr. Hayes.

MR. ANDERSON: Mr. President, I desire to do myself the honor of seconding the nomination of George H. Russel for Vice-President. He is a gentleman whose brain has left its impress on all of us, and whose hospitality is big enough to touch the heart of every man and woman here. (Applause.)

MR. RHAWN: I must protest against the turning down of Frank W. Tracy, the nominee of the Committee, and a man who has served this Association faithfully from its very first meeting in 1875; who received a very large vote last year at St. Louis, and who was only defeated by an accident. It is not right; it is not proper; it is not just. (Applause.)

MR. ANDERSON: As a member of the Nominating Committee, I desire to say that we were not of one opinion as to the advisability of submitting a minority report. There were sixteen votes cast in the Committee for Mr. Tracy and twelve for Mr. Russel. It seemed, in the judgment of a number of the members, that a minority report ought to be submitted, and I presume I am as much responsible as anyone for the fact that it was not, because under the Constitution it would not be proper, but the Constitution very wisely provides that a nomination by the Committee is simply in the nature of a recommendation, and that any gentleman from any State or Territory has the right to make a nomination in open Convention. Therefore, the nomination of Mr. Russel is proper under the Constitution. I voted for Mr. Russel in the Committee, although I opposed bringing in a minority report. I think those of us who have enjoyed the hospitality of this beautiful city, and have marked the courtly bearing and the splendid gentleman whose name has been presented here in open Convention, must agree with me that we will make no mistake in electing George H. Russel as Vice-President. (Applause.)

THE PRESIDENT: Well, gentlemen, we will proceed to the election, and I will appoint as tellers S. G. Nelson, of New York, Mr. Farson and Mr. Needham, of Illinois, and Mr. Sherwood, of Ohio.

WALKER HILL, of St. Louis: It is understood, of course, that both these candidates are equal, but when we commence to compare the honors bestowed on Illinois, I do not think Michigan is equal. Illinois has had the Presidency of this Association several years, and she had the Vice-President in 1891 and 1893. To-day Illinois has four men on the Executive Council, and still she wants more. In looking over the annual proceedings, I do not find the name of a Michigan man who has ever served the Association as President or Vice-President. I met Mr. Russel first at Atlanta, and I think he is the man above all others to be our Vice-President. If we apply the rule that we give to Illinois her turn would come two hundred and seventy years from to-day. If you apply the rule on your 2,800 members, when will the young men ever be in office?

A MEMBER: I suggest that each delegate put his name on the back of his ballot, so as to identify him if necessary.

F. W. HAYES: I suppose it is understood, Mr. President, that each delegate here has but one vote.

THE PRESIDENT: Yes, sir.

BRADFORD RHODES: I wish to say a word on behalf of Frank W. Tracy. It is only due to his magnificent work in this Association since its very beginning, that he should now be accorded this honor. On behalf of the New York delegation to this Convention, I certainly hope Mr. Tracy will be elected.

M. M. White, of Cincinnati: Gentlemen—I have always been decidedly opposed to all these changes that have come into the Constitution, from the fact that I was afraid it would bring about just such a scene as we see now. It seems to me that greater interest has been shown here in the last few minutes in the matter of this election than in anything else that has come up in the convention. Surely, that is not right. I appreciate the hospitality of the citizens of Detroit as much as any man here, and I should be very glad to vote for Mr. Russel if Mr. Tracy's name had not been presented. I think, however, Mr. Tracy is entitled to the place, and I do not think we can afford to pass him over at this time.

Mr. Farson: Is it the ruling of the Chair that each delegate shall put his name on the back of his ballot?

The President: If it is the unanimous voice of the Convention, they may do so.

A Member: Is that a secret ballot, Mr. President?

The President: A secret ballot is not required.

Mr. Farson: That will consume a great deal of time, and I don't think any man would put in a ballot who is not entitled to vote.

A Member: As I understand it, a member of this Convention has a vote in his own right, and a delegate from a State association also has a vote.

The President: But only one vote if he represents both.

A Member: Mr. President, I claim that you must declare one way or the other, whether delegates shall put their names or the names of their banks on the back of their ballots, or not. There is a rule to govern these matters, and that rule should be applied.

The President: The Chair decides that the ballots shall have on the back of them the name of the bank that the delegate represents.

Mr. Farson: Are you insisting upon that point?

The President: Yes, sir; that is right.

Mr. Dennison, of Philadelphia: I protest against that decision. There is no rule requiring it, and I appeal from the ruling of the Chair.

George B. Sloan, of Oswego, N. Y.: I would like to ask whether the ruling of the Chair, that the name of the bank represented by the delegate shall be placed upon the back of his ballot, applies also to those delegates who have been elected by State associations, and are are representing State associations in this body?

The President: Yes, sir; it does.

All in favor of sustaining the decision of the Chair will rise; those opposed will now rise.

The decision of the Chair was not sustained.

A Member: If we are to have no protection as to who is voting, then I ask that all delegates in this house come forward and take seats in the front rows, and those who are not delegates retire to the rear.

The President: I do not see any objection to that.

Delegates then took seats in the front of the house.

Peter White, of Marquette, Michigan: A statement has been made on the floor of this house which I must protest against. A gentleman stated that except for an accident, Mr. Tracy would have been elected President at St. Louis. Now, that implies that our worthy President was elected by accident. I was present and voted at that Convention, and I desire to state that he was overwhelming elected.

William H. Rhawn: My remark did not refer to the President, but did refer to the office of Vice-President, and the accident was that Mr. Hendrix happened to have been born in the State of Missouri, and for that reason his name was presented by the Missouri delegation, and he was elected over Mr. Tracy.

BRECKENRIDGE JONES, of St. Louis: Mr. President—I wish to protest against that statement, as one of the representatives from the State of Missouri. It was not because Mr. Hendrix was born in Missouri that he was elected at that time, but it was because he was recognized as the most distinguished man for the place.

THE PRESIDENT: Gentlemen, the tellers will now announce the result of the vote.

The tellers reported 325 votes cast, of which Mr. Russel received 205, and Mr. Tracy 120.

On motion of Mr. Tracy the election of Mr. Russel was made unanimous.

On motion the Secretary cast one ballot for the rest of the Vice-Presidents nominated, and they were declared elected.

On motion the Secretary cast one ballot for the gentlemen nominated for members of the Executive Council from the Association, and from the various State associations, and they were declared elected.

E. H. PULLEN, of New York: Mr. President—I had the pleasure of installing you as President of the Association, as my successor in St. Louis, and it now becomes my pleasant duty to usher you into the same retirement which I have enjoyed for the past year.

You have had a stormy time to-day, but I want you to cast your eye way back in childhood, when you were so much happier than you are now. I heard an anecdote this morning about a little boy who lived down South, named Robert, who had several brothers and a number of sisters. He went to church one Sunday and returned home crying. When asked what the trouble was, he replied: "The minister talked about Matthew, Mark, Luke, John, Paul, Peter, and about Martha, Mary, but he never said a word about Robert." (Laughter.) Now that little boy has grown up to be a man, and we have heard about Robert from the Pacific to the Atlantic, and from the Gulf to the St. Lawrence.

I can only say to you, sir, that nature has been very impartial in her dealings. Nature distributes her favors. Nature believes in contrasts. When Nature made the ocean she also made the tiny dew drop. When Nature made the towering mountain, she also created the field gleaming with harvest, and when Nature made the sun to light up the world, she also made a little twinkling star; and, my friend, when Nature made you, she made a daisy. (Laughter and applause.)

Do you know, sir,

"That man is great who knows it all,
Yet quiet goes his way,
Content to let his worth proclaim
His deeds from day to day.
But greater far is he that has a wealth of words and gall,
And knowing little, makes the world believe he knows it all."
(Applause.)

(Handing Mr. Lowry a gavel.) What are you going to do with this? I think you had better hand it over to Mrs. Lowry, and she may preserve it. I was told in St. Louis to hand it down to future generations, but you and I haven't any to leave it to. At any rate, carry it with the most sincere affection of all your associates, be they from the South, the North, the East or the West, and they will all join with me when I say—God bless our retiring President, Bob Lowry. (Applause.)

Three cheers were given for President Lowry, and three cheers for Mr. Pullen.

THE PRESIDENT: Gentlemen, I had a little talk to make, but my friend Pullen has scared it all out of me. No one that you could have selected to present this beautiful souvenir could have done it so well as he. It will constantly remind me that I was once President of the American Bankers' Association—an Association that is doing so much good in so many ways.

I wish to say to the people of Detroit that I do not know how we will ever pay them for the great pleasure they have given us during our visit in their city. We have appreciated it every minute of the time.

I thank you all. (Applause.) Mr. Pullen asks me what I am going to do with this. I am going to preserve it, and when I am gone the historical society, or some other society in Georgia, will lay it away, to show that one of their citizens was highly honored by one of the foremost associations in America. (Applause.)

Mr. Rhodes, Mr. Jordan, and Mr. Herrick then escorted the President-elect to the platform.

THE PRESIDENT: Gentlemen, I present to you, and it gives me great pleasure to do so, the President-elect. (Applause.)

PRESIDENT-ELECT JOSEPH C. HENDRIX: Gentlemen of the American Bankers' Association—I thank you. In this homely Saxon phrase, without adornment or elaboration, I convey to you all the feeling of my heart. It is an honor which I coveted from my earliest connection with the banking business, and it is a great satisfaction and pleasure to have won it by your favor.

The American Bankers' Association has taken on new life. It belongs to the new era. If our dream is realized, it will become the authoritative exponent of the opinion, the sentiment, and the conviction of the banking fraternity of this splendid Republic of the United States.

Again, I thank you. (Applause.)

The Convention then adjourned *sine die.*

CONVENTION NOTES.

— The attendance was larger than usual.

— Captain Robert J. Lowry has made a popular President.

— Whatever experience may show as to the wisdom of the new amendments to the Constitution, it is certain that they enlivened the proceedings, and made the election contest something more than a mere formality.

— Joseph C. Hendrix, the new President, is a man of forceful personality, energetic in prosecuting whatever he undertakes, and of large experience in the conduct of public affairs. His election is a fortunate event for the Association.

— If the reports of the bankers are to be credited, the performance announced by "the advance agent of prosperity" has arrived on schedule time. Even Kansas refuses longer to wear mourning for the defeat of 16 to 1.

— Of all the cities that have entertained the conventions of the American Bankers' Association none has exceeded Detroit in manifestations of hospitality.

— The clubs, the press and other public institutions extended every courtesy to the visitors.

— Expressions of appreciation of the BANKERS' MAGAZINE Souvenir Programme were heard on every side.

— Many of the visitors were agreeably surprised at the general solidity and architectural beauty of many of the bank buildings of Detroit.

— In speaking of the amendments to the Constitution "The Detroit Free Press" said: "These amendments comprise in substance the two amendments originally proposed by Mr. Rhodes, to whom credit should be given for their formulation and effective presentation to the bankers of the country."

— Boston and Denver are prominent competitors for the next Convention.

— A large delegation of Southern bankers, under the lead of Louisville, Ky., financiers, came in on a special train.

NEW YORK TRUST COMPANIES—Condensed statement of condition July 1, 1897.

NAMES.	Total resources.	Capital stock paid in, in cash.	Surplus and undivided profits.	Interest, commissions and profits received during year.	Interest paid and credited to depositors during the year.	Expenses for year.	Dividends on capital declared for year.	Deposits made by order of court for year.	Total deposits on which interest is allowed at this date.	Amount of bonds and mortgages purchased.
American Deposit & Loan Co., New York	$6,989,502	$500,000	$282,421	$180,961	$62,599	$19,020	$15,000	....	$5,938,451	....
Atlantic Trust Co., New York	6,442,527	1,000,000	526,036	262,892	92,406	51,571	80,000	$596	4,114,025	....
Binghamton Trust Co., Binghamton	2,114,971	300,000	150,131	92,452	42,206	17,208	....	30,158	1,368,555	$46,056
Brooklyn Trust Co., Brooklyn	13,312,414	1,000,000	*1,530,536	500,449	194,351	85,281	160,000	5,592	10,370,545	....
Buffalo Loan, Tr. and Safe Dep. Co., Buffalo	1,798,159	200,000	56,000	87,488	53,011	25,375	12,000	95,688	1,452,346	44,400
Central Trust Co., New York	37,465,580	1,000,000	6,679,840	1,620,093	519,842	172,721	500,000	16,347	26,434,952	271,001
Chautauqua Co. Trust Co., Jamestown	1,686,948	300,000	81,305	38,398	11,399	8,977	9,000	16,855	544,540	89,296
Colonial Trust Co., New York†	....	....	....	....	....	....	....	....	....	....
Columbus Trust Co., Newburgh	484,187	100,000	31,813	22,268	7,085	4,441	6,000	....	237,651	15,500
Continental Trust Co., New York	6,606,346	500,000	353,663	231,575	107,218	60,698	30,000	128,500	5,283,054	70,000
Delaware Loan and Trust Co., Walton	394,835	100,000	17,259	20,621	6,799	5,656	....	....	179,484	3,570
Farmers' Loan and Trust Co., New York	37,451,188	1,000,000	4,589,856	1,491,031	599,917	178,717	300,000	81,672	28,962,913	....
Fidelity Trust and Guaranty Co., Buffalo	5,678,927	500,000	135,093	112,861	81,473	24,068	915	....	4,067,532	71,754
Franklin Trust Co., Brooklyn	7,377,586	1,000,000	932,676	283,646	116,849	57,298	80,000	....	5,143,575	104,000
Guaranty Trust Co., New York	18,797,670	2,000,000	2,651,075	959,238	326,149	142,505	300,000	2,359	12,844,524	....
Hamilton Trust Co., Brooklyn	5,333,464	500,000	527,694	231,762	112,661	46,387	40,000	....	4,261,305	83,243
Holland Trust Co., New York	1,141,044	500,000	55,368	35	3,750	23,764	....	13,622	114,174	....
Ithaca Trust Co. Ithaca	664,599	100,000	38,405	31,550	12,214	7,672	3,000	....	485,510	54,850
Kings County Trust Co., Brooklyn	6,962,243	500,000	743,699	257,930	99,351	53,506	40,000	....	4,686,894	....
Knickerbocker Trust Co., New York	13,542,056	1,000,000	577,126	469,348	201,610	129,846	60,000	340,710	10,330,859	100,000
Long Island Loan and Trust Co., Brooklyn	4,118,585	500,000	412,295	172,069	67,594	26,554	40,000	....	3,150,486	7,000
Manhattan Trust Co., New York	6,260,436	1,000,000	470,830	279,453	83,702	86,906	50,000	303,204	3,636,636	....
Manufacturers' Trust Co., Brooklyn	4,315,280	500,000	595,902	81,569	8,008	16,592	20,000	7,000	3,188,702	148,000
Mercantile Trust Co., New York	30,224,325	2,000,000	2,785,557	1,335,823	459,629	164,550	240,000	65,954	22,612,192	....
Metropolitan Trust Co., New York	14,806,252	1,000,000	1,140,468	445,017	214,496	71,348	100,000	....	11,994,478	....
Nassau Trust Co., of the City of Brooklyn	3,072,974	500,000	271,580	70,040	23,470	11,967	15,000	....	2,239,878	3,000
N. Y. Life Insurance and Trust Co., N. Y.	32,557,261	1,000,000	2,775,240	1,551,344	733,301	102,054	400,000	188,701	26,934,838	....
N. Y. Security and Trust Co., N. Y.	15,969,494	1,000,000	1,485,104	637,864	196,904	82,448	100,000	91,379	12,662,459	248,500
Orange Co. Tr. and S. Dep. Co., Middlet'wn	890,225	100,000	61,920	43,098	19,007	7,382	6,000	110	564,785	27,600
People's Trust Co., Brooklyn	8,316,055	1,000,000	1,118,924	353,830	145,039	55,481	80,000	101,855	6,035,120	2,463
Real Estate Trust Co., New York	5,187,086	500,000	349,483	190,319	93,142	40,595	30,000	74,984	4,254,691	150,000
Rochester Tr. and Safe Dep. Co., Rochester	6,062,756	200,000	411,335	275,564	182,613	19,855	20,000	19,385	5,225,750	1,104
Security Trust Co. of Rochester	2,288,293	200,000	173,036	112,031	49,567	14,574	12,000	66,961	1,558,194	....
The State Trust Co., New York	10,897,091	1,000,000	969,468	406,649	160,715	105,833	60,000	299,302	7,762,816	....
Title Guarantee and Trust Co., New York	6,175,367	2,500,000	2,183,325	893,113	21,330	498,293	200,000	....	1,185,074	....
Trust and Dep. Co. of Onondaga, Syracuse	2,388,238	100,000	125,545	102,057	63,449	20,463	8,000	82,045	2,158,942	178,900
Union Trust Co. of Jamestown	756,283	100,000	22,008	42,521	19,024	10,632	9,000	3,387	552,766	124,111
Union Trust Co., New York	36,077,031	1,000,000	5,335,930	1,422,256	629,936	215,344	320,000	145,503	28,049,022	153,500
U. S. Mortgage and Trust Co., New York	16,944,724	2,000,000	1,298,101	868,315	175,334	110,948	120,000	243,217	8,598,514	1,066,528
United States Trust Co., New York	56,545,127	2,000,000	10,027,788	1,142,897	435,209	70,619	400,000	192,102	42,736,883	225,000
Washington Trust Co., New York	5,368,473	500,000	538,626	217,562	87,597	35,175	30,000	....	4,243,124	37,000
Totals, July 1, 1897	$443,465,620	$30,800,000	$52,511,002	$17,338,008	$6,519,980	$2,882,344	$3,895,915	$2,617,187	$326,166,256	$3,326,379

* Includes surplus. † Has not begun business.

SAVINGS BANKS IN THE STATE OF NEW YORK.—Statement of their condition by counties July 1, 1897, and, for comparison, the totals for January 1, 1897. Compiled from the official reports.

County.	No. of Banks.	Total Resources.	Due Depositors.	Other Liabilities.	Surplus.	Open Accounts.	Acc'nts opened during year ending June 30, 1897.	Accounts closed during year ending June 30, 1897.	Deposits during year ending June 30, '97, not including interest.	Amount withdrawn during year ending June 30, '97.	Amount of interest credited and paid for year ending June 30, '97.	Salaries and expenses for year ending June 30, 1897.
Albany	9	$47,106,369	$42,726,575	$72,382	$4,307,411	70,680	13,104	10,383	$11,430,571	$10,441,719	$1,556,326	$112,939
Broome	2	2,658,353	2,431,875	300	226,177	15,088	1,589	1,558	1,224,647	1,114,878	62,094	19,656
Cayuga	2	4,065,960	3,585,112	....	480,847	13,890	2,756	2,447	1,582,223	1,553,978	115,004	20,569
Chemung	1	82,119	81,918	....	201	804	181	95	30,560	21,626	469	2,389
Columbia	1	2,632,024	2,321,470	....	310,553	6,848	1,093	1,028	528,209	556,144	75,282	8,517
Cortland	1	1,320,316	1,232,764	....	87,552	5,597	1,399	1,172	611,010	538,498	42,629	6,113
Dutchess	7	12,210,661	10,926,605	14,379	1,269,676	27,262	3,147	2,730	2,202,784	2,237,030	401,191	29,965
Erie	4	41,166,243	35,715,311	....	5,450,931	88,516	18,167	16,617	13,435,890	13,317,905	1,323,075	162,706
Fulton	1	76,100	70,812	386	4,901	643	66	217	36,373	60,546	2,514	394
Greene	1	1,350,555	1,161,995	....	188,559	3,557	652	541	342,242	310,017	37,291	4,020
Jefferson	3	2,912,207	2,631,582	....	280,625	12,944	2,167	1,643	981,397	926,843	90,844	12,366
Kings	16	137,515,283	119,963,797	40,078	17,511,407	293,771	48,863	45,468	33,364,438	33,243,027	4,277,676	385,313
Madison	1	997,821	882,685	3,302	111,833	3,784	840	751	317,016	336,178	29,270	3,919
Mo roe	4	34,031,732	30,366,198	99,979	3,565,555	64,282	12,954	11,657	9,630,128	9,875,952	1,133,144	132,696
Montgomery	1	968,144	919,799	....	48,345	5,311	1,300	1,011	506,611	438,797	26,035	6,107
New York	27	458,288,574	404,961,275	5,253	53,322,045	906,128	168,567	150,741	104,078,639	105,608,298	13,868,531	1,183,543
Niagara	2	1,685,823	1,535,089	18	150,716	5,533	1,677	1,428	1,141,043	1,071,640	53,773	8,224
Oneida	3	9,974,034	8,263,501	31,931	1,678,602	26,817	4,647	4,079	2,388,117	2,290,940	263,269	31,530
Onondaga	3	23,482,707	21,064,370	38,446	2,379,891	53,946	11,311	9,674	8,129,459	7,812,765	773,089	81,843
Orange	6	10,665,800	9,221,523	69	1,444,207	26,786	3,215	2,913	1,949,517	2,045,893	333,922	34,168
Oswego	3	3,270,492	2,999,279	250	270,962	9,965	2,657	2,103	1,437,292	1,291,267	108,604	16,193
Putnam	1	323,929	289,860	....	34,068	1,218	206	217	84,491	83,831	9,065	1,909
Queens	6	4,213,382	3,716,256	119	497,006	16,540	4,061	3,006	1,466,230	1,280,184	127,626	21,242
Rensselaer	2	8,045,780	6,712,191	55,166	1,278,423	17,279	3,208	3,034	1,675,024	1,601,121	216,500	27,376
Richmond	2	1,418,496	1,267,917	1,079	149,498	5,927	1,296	806	677,675	636,478	39,415	12,179
Schenectady	1	1,979,910	1,838,755	31	141,122	7,230	1,643	1,423	659,948	630,318	60,321	5,682
Seneca	1	220,691	209,391	....	11,300	1,325	329	319	112,060	103,936	6,144	1,759
Suffolk	3	5,436,195	4,774,185	....	662,010	11,574	1,567	1,418	1,242,730	1,194,310	178,328	16,458
Tompkins	1	1,344,589	1,139,843	78	204,667	5,716	1,438	1,319	525,147	558,308	32,524	9,712
Ulster	6	7,403,584	6,753,064	25	650,494	20,000	3,363	2,544	1,815,398	1,731,849	226,643	30,969
Westchester	10	12,824,011	11,709,833	....	1,114,177	39,454	6,741	5,155	3,828,620	3,866,566	410,418	58,706
Totals, July 1, 1897	131	$839,671,900	$741,474,845	$363,276	$97,833,777	1,768,415	324,204	287,497	$207,435,501	$206,871,957	$25,881,032	$2,435,889
Totals, January 1, 1897	128	$812,173,632	$718,176,888	$343,506	$93,653,237	1,736,968	329,673	288,292	$208,801,219	$207,822,905	$25,414,559	$2,414,136
Increase or decrease	3	$27,498,268	$23,297,957	$19,770	$4,180,540	31,447	*5,469	*795	*$1,365,718	*$950,948	$466 473	$21,753

* Decrease.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The Bank of Westchester has been granted permission to change its title to the Bronx Borough Bank.

—Tatsutaro Kawai, chief secretary of the Fifteenth Bank, Limited, of Tokio, Japan, who is making a tour of the United States and Europe to enlarge his knowledge of banking, was a recent visitor at the United States Sub-Treasury, the New York Clearing-House, the Fourth National Bank and the Chamber of Commerce. The Fifteenth Bank is the second largest bank in Japan, standing next to the Bank of Japan. It has a capital of 18,000,000 yen (silver) and a reserve fund of 4,500,000 yen.

—John G. Bacon, Edwin H. Mairs, Frederick P. Kimball and Wm. E. O. Bebee, were recently elected members of the Stock Exchange.

—John Alvin Young has been elected Secretary of the Atlantic Trust Co.

—Alexander Semelis, who had been connected with the Chatham National Bank since 1870, and paying teller for the last ten years, died at his home in Brooklyn, August 6.

—The recent heavy shipments of currency to the South and West have been made largely by registered mail, that being a cheaper method of transportation, notwithstanding the cost of insurance, than by express.

—The following new members of the New York Stock Exchange were elected September 2: Edgar C. Jurgenson, William B. Bowne, Sigmond H. Rosenblatt, Frank S. Hambleton, of Hambleton & Co., of Baltimore; Dudley D. Joseph of Silberman & Joseph, and Edward Bell of Bell & Co., of this city.

—George A. Baker, President of the Continental National Bank, of St. Louis, while in the city recently gave a most encouraging report of business conditions in the Southwest. He says that the indications are favorable for an unprecedented volume of business in St. Louis, and that the banks are well equipped for supplying funds to market the crops.

—As the result of the legal recognition of accountancy as a profession, which was obtained by the American Association of Public Accountants, the National Society of Certified Public Accountants in the United States has been incorporated. The requirement for admission is that the applicant hold a certificate from the Regents of the University of the State of New York, certifying to his qualifications in respect to moral character and professional attainments. The objects of the society are the elevation of the profession of accountancy; the establishment in one body of the certified public accountants practicing in the United States; the improvement of professional accountancy knowledge by lectures and meetings, and the formation of an accountants' library, and the establishing of the degree letters C. P. A.

—William R. Kurau, formerly Assistant Cashier, has been appointed Cashier of the Bowery Bank to succeed F. C. Mayhew, elected President. Mr. Kurau has been connected with the bank for twenty-nine years.

—Charles F. Mattlage succeeds the late Charles S. Brown as Vice-President of the Irving National Bank. John R. Waters succeeds Mr. Mattlage as Second Vice-President. Daniel P. Morse has been elected a director to fill a vacancy.

—Edward C. Hodges, whose firm, E. C. Hodges & Co., Boston, failed several months ago, having settled with his creditors, has been reinstated to membership in the Stock Exchange.

—New York bankers recently received the following notice from Gojuro Nagasaki, the Agent in New York of the Yokohoma Specie Bank, Limited, of Yokohoma:

"YOKOHOMA, July 20, 1897.

"Dear Sir: You are requested to take notice that on and after October 1 next all debts accrued or to accrue, due by this bank in Japan, though purporting to have been contracted in silver yens, will be payable in an equal number of yen in gold currency, and that silver yen cannot be specifically demanded, though it can be received in payment.

Kindly acknowledge receipt of this letter, and oblige. I am, yours faithfully,

Y. YAMAKAWA, *Sub-Manager*.

N. B.—This bank is authorized to convert the Nippon Ginko note into gold coin for any amount on demand, on and after the above date."

NEW ENGLAND STATES.

Boston.—William E. Bright and Harold C. Sears have formed a partnership for transacting a banking and brokerage business at 26 Exchange Building.

—On August 18 the directors of the Market National Bank addressed a letter to the shareholders, proposing a reduction of the capital from $800,000 to $600,000. The circular says: "The current business of the bank is profitable; but during the period of general depression, which has existed for some years past, there have accumulated in its hands certain assets of doubtful value, the collection of which will necessarily be slow. In a conservative administration of the affairs of the bank, these assets should be written off its books; and the amounts recovered from them credited to surplus hereafter. If the capital of the association is maintained at its present amount, it will be necessary to suspend for a time the payment of dividends. The action recommended would leave the bank with a capital of six hundred thousand ($600,000) dollars, surplus and profits of one hundred and fifty-eight thousand ($158,000) dollars. and place it in a position to compete under most favorable conditions with other National banks and trust companies, and to pay increased dividends."

—The stockholders of the Lombard Liquidation Company, the successor to the Lombard Investment Company, have elected a board of directors and the following officers: W. Crapo, President; H. C. Flower, Vice-President, and Irving Wood, Secretary.

The capital of the Lombard Liquidation Company is $500,000, of which $400,000 is noncumulative preferred stock, and $100,000 common stock. The capital of the old Lombard Investment Company was $4,000,000.

There will be nearly 7,000 stockholders in the new company, and of these 3,000 are in Massachusetts.

Of $12,894,023, judgment claims against the old Lombard Company, over $4,000,000 were in Massachusetts, and nearly $6,000,000 in New England; $2,000,000 were in Pennsylvania.

Providence, R. I.—It is reported that consolidation of a number of prominent banks of this city is impending. There are thirty active banks in the city, and the competition, it is said, is too great for a reasonable return on the capital invested.

Hartford, Conn.—Gen. Henry C. Dwight has been elected President of the Mechanics' Savings Bank, in place of Daniel C. Phillips, who retires on account of advancing years. The deposits are nearly $4,000,000 and are steadily increasing.

MIDDLE STATES.

New National Bank.—Stock is being rapidly subscribed for a new National bank at Catonsville, Md. Among those interested is Hon. James A. Gary, Postmaster-General.

Tax on Savings Bank.—It is reported that the Newburgh (N. Y.) Savings Bank will resist the payment of an assessment on $1,000,000 of its personal property—franchise, surplus, etc.

New Banking Firm.—Jackson, Hastings & Co. succeed the banking firm of Jackson, Crider & Hastings. The junior partner is Governor of the Commonwealth.

Pennsylvania Banks Unite.—On August 12 it was reported that the Wellsborough National Bank had consolidated with the First National Bank. The latter bank was organized in 1864, and is a very strong institution.

Erie, Pa.—The Citizens' Bank opened for business August 16. C. C. Minton, President of the State Bank, Mayville, N. Y., is President of the new bank.

Arrested for Forgery.—Lewis Folk, alias W. W. Thomas, and John Hines, both of New York, were arrested by Pinkerton agents at Philadelphia, August 19, and held on a warrant sworn out by the American Bankers' Association, charging them with forging a $1,500 draft on the First National Bank of Claysville, Pa.

Pittsburg.—The "Pittsburg Banker" for July reports the deposits in the thirty-one National banks of that city to be $5,000,000 above the highest point ever reported previously.

SOUTHERN STATES.

New Branch Bank.—The Merchants' Bank, of Florence, Ala., has opened a branch at Tuscumbia, Ala.

Bank Incorporated.—The Bank of Abbeville, Ala., has been incorporated with $50,000 capital stock.

New Bank in Georgia.—A new bank has been organized at McRae, Ga., with Tom Eason, President, and L. L. Campbell, Cashier.

Richmond, Va.—The resources of the banks of this city now exceed $16,000,000, which is a gain of $3,000,000 since December, 1890.

New Bank in Louisana.—A new bank is being organized at Clinton, La., to begin business about October 15, with $15,000 capital. W. D. Pipes is President.

New Bank in South Carolina.—The Bank of Saluda, S. C., has been authorized to begin business, with $25,000 capital.

Grafton, West Va.—The Grafton Bank opened for business August 10.

Pennsboro, West Va.—The Farmers and Merchants' Bank has been organized, with $100,000 capital.

WESTERN STATES.

Bank Changes Hands.—Reuben R. Bright succeeds John F. Hawkins as owner of the Bank of Flora, Ind.

Indiana Banks Consolidate.—It is announced that the Farmers' State Bank and the Sullivan County State Bank, Sullivan, Ind., are to be consolidated, under the title of the Sullivan State Bank, capitalized at $100,000.

New Bank Opens.—The Commercial Bank has opened for business at Urichsville, Ohio.

Cincinnati, Ohio.—L. W. Foster & Co. succeed G. P. Altenberg & Co. The latter firm had become entangled by adverse market conditions, and attachments had been issued against it.

Directors to be Sued.—It is reported that the directors of the failed Plankinton Bank, Milwaukee, Wis., will be sued for $1,200,000, the amount of the bank's indebtedness. This is said to be in addition to the stockholders' liability. A dividend of fifty per cent. has been paid the creditors.

Lincoln, Neb.—N. S. Harwood retired from the presidency of the First National Bank on Sept. 1, and was succeeded by John L. Carson.

Fargo, No. Dak.—The Fargo National Bank is a new institution, now ready for business, with $50,000 capital.

New State Bank.—A charter has been issued for the State Bank of Hanna, No. Dak.; capital, $5,000.

Cleveland, Ohio.—It is expected that the new American Exchange National Bank will be open for business by Oct. 1. The capital will be $250,000 and the paid-up surplus $50,000.

Premium for Omaha Bonds.—The ten-year 4½ per cent. renewal bonds, aggregating $208,500, just issued by the city of Omaha, Neb., will be sold at a premium of .03079 per cent., with accrued interest. This rate is fully twenty-five per cent. higher than has ever been obtained for similar bonds issued by the city. Estabrook & Co., of Boston, were the highest bidders. These bonds found no takers a year ago.

Wisconsin Bank Resumes.—The Jackson County Bank, Black River Falls, Wis., which closed last September, reopened for business August 23, with new officers.

Nominated for Governor.—Leslie M. Shaw, President of the Bank of Denison, was nominated for Governor of Iowa by the Republican State Convention, held at Cedar Rapids, August 19.

Cashier Killed.—Elmer E. Struble, Cashier of the Farmers' Bank, Shepherd, Mich., was shot and killed by robbers on August 22. About $6,000 and valuable books are missing from the bank. Other reports state that it is believed that the Cashier killed himself.

Missouri Bank Items.—On August 18 the Bank of Coffey, at Coffey, Daviess County, was incorporated, capital, $10,000.

—On August 24 the Commercial Bank, of Warrensburg, was incorporated with $25,000 capital.

—The Bank of Warrensburg has gone out of business, having been purchased by the People's Savings Bank.

New Kentucky Banks.—It is announced that the Citizens' Bank, Fulton, Ky., will open for business about September 15, with $25,000 capital.

—The Bank of Georgetown has been incorporated with $25,000 capital.

—Brandenburg has a new bank—the Farmers' Bank; capital, $20,000.

—It is reported that William H. Moore, formerly Cashier of the Citizens' Savings Bank, Owensboro, Ky., will establish another bank there with $50,000 capital. This will make ten banks in the town.

State Bank Organized.—On August 23 the Citizens' State Bank, capital $5,000, was opened for business at Yates Center, Kansas.

Bank Change in Kansas.—L. C. Brown, of the Bank of Nickerson, Kansas, has bought the Farmers and Citizens' Bank, of that place, and has organized the State Bank of Nickerson, with $15,000 capital.

Capital to be Reduced.—It is reported that the capital of the First National Bank, Owenton, Ky., will be reduced from $126,000 to $63,000.

—Similar action, it is said, will be taken by the Farmers' National Bank, of Cynthiana, which reduces from $120,000 to $80,000.

Lady Elected Vice-President.—Mrs. Alice D. Hubbard, of Marshall, Mich., has been elected Vice-President of the Hardin County Bank, at Eldora, Iowa.

Form of Organization Changed.—The Farmers' State Bank, of Oberlin, Kansas, has been incorporated with $10,000 capital. This is reported to be a reorganization of the First National Bank. There have been several changes in Kansas of late from National to State banks, which apparently indicates that the new banking law of Kansas is working favorably.

New Bank Authorized.—The Auditor of State has authorized the Farmers' Savings Bank, of Emmettsburg, Iowa, to begin business; capital, $25,000. It succeeds the Bank of Emmettsburg.

Private Bank Opened.—Dewel & Gridley have organized the Security Bank, at Maxwell, Iowa.

Bank Reorganizing.—It is reported that the Farmers' Bank, of Packwood, Iowa, is being reorganized and that it will be incorporated as a Savings bank with $10,000 capital.

A Missing Cashier.—F. C. Norton, who, as Cashier of the Bank of Durand, Ill., is said to have mismanaged that institution, is reported missing. A shortage of possibly $100,000 is also reported.

Banker Scheffer Acquitted.—Albert Scheffer, President of the Allemania Bank of St. Paul, indicted for having overdrawn his account at the time the bank failed, has been acquitted under instructions from the district judge. It was found that the bank was indebted to Mr. Scheffer, instead of the reverse.

Too Pious for a Banker.—A director in a bank in Western Kansas has resigned for the following reason:

"I tender this resignation deliberately, led to it by the Holy Ghost enlightening my conscience to the fact that the loaning of money at usurious rates, to which policy the bank is committed, is wrong, just as is the violation of any other law on our statute book and should not be sanctioned by me as professing the name and following the teachings of the Lord Jesus Christ."

No wonder he resigned. Some of the "bankers" in that country lend money at three per cent. a month.

Chicago.—W. V. Baker, formerly a member of the firm of A. L. Slaughter & Co., is now associated with Edward L. Brewster & Co.

—The Prairie State National Bank has voted to consolidate with the Prairie State Savings and Trust Co., changing the name of the consolidated institution to the Prairie State Bank.

—It is claimed that the different classes of banks in the city are not equally taxed, the following statement of percentages being made: Average for private banks, 8 19-100 of their capital, surplus and profits; State banks, 7 5-100 per cent., and National banks an aver- of 13 4-10 per cent.

Change in Presidents.—T. M. Jones, formerly Vice-President, has succeeded Geo. Arthur Rice as President of the First National Bank, Grand Junction, Colo. Mr. Rice had not been actively associated with the bank, and his holdings of stock, which were small, have been purchased by the Cashier and President.

New Bank Organized.—The Warren-Boynton State Bank has been organized at New Berlin, Ill.: capital, $25,000.

PACIFIC SLOPE.

Bank Business Discontinued.—Johnston & Co. have discontinued the banking business at Corning, Cal.

San Francisco.—Winfield S. Jones succeeded O. D. Baldwin as President of the Security Savings Bank.

—There is a vacancy in the office of Vice-President of the Hibernia Savings Bank, caused by the death of J. J. O'Brien.

—The Swiss-American Bank, of Loraine, Switzerland, paid-up capital, $800,000, has established a branch in this city.

New Bank Reported.—Recent reports state that E. Amoretti, Sr., of Lander, Wyo., would open a new bank at Basin City, Wyo.

Washington State Banks.—A report compiled by the State Auditor, and made public August 24, shows the total resources of the State banks of Washington to be $5,089,271, and deposits $2,740,319.

CANADA.

New Branch Banks.—A branch of the Halifax Banking Co. has been opened at Middleton, N. S., in charge of W. H. Chipman.

— The Bank of Montreal announces the opening of a branch at Lethbridge, Alberta.

Bank Swindled.—The bank at Calgary, Northwest Territory, was recently swindled out of $11,000 by a gold-brick sharper.

Bank Robbed.—On August 27 the branch of the Dominion Bank at Napanee, Ont., was entered by burglars and $32,000 in checks and cash taken from the vault. Payment has been stopped on checks amounting to $10,000.

FOREIGN BANKING AND FINANCIAL NEWS.

London.—David Powell, ex-Governor of the Bank of England, died September 8.

—It was recently reported that the Bank of England had consented to hereafter keep one-fifth of its reserve in silver, as a concession to those who are urging international action in behalf of silver. Under the present law the Bank has the option of doing this, but has never exercised the privilege. While no official statement has been made by the Bank, it is probable that no such action has been decided upon, though the matter has no doubt been under consideration.

Adopted the Gold Standard.—The Republic of Costa Rica has finally adopted the gold standard.

It is reported that similar action will be taken shortly by San Salvador.

City of Mexico.—The new Bank of the State of Mexico has been opened with a capital of $1,500,000. It will be a bank of issue.

Silver in South America.—Capt. James Hindes, late United States Consul to the Argentine Republic, has returned to his home in Decatur, Ala. In an interview he said:

"When I made arrangements to come home I found, upon inquiry, that $500 in gold which I needed to defray my expenses home would cost me $1,530 in silver, and that is what I had to pay for it. The South American free-silver countries would be glad to get rid of their silver for almost any kind of money. It has the least appreciable value in those countries, and from the signs of the times down there it won't be long before a different monetary system is adopted.

Everywhere dissatisfaction with the silver standard is manifest, and the conviction is growing that this is one of the causes of the countries' financial condition, a condition that is becoming more deplorable each day. In Argentina agitation for a change has begun, and converts to the theory that a new system must be adopted before prosperity can be had are being made rapidly."

Supervision of Private Banks.—The following press despatch and the accompanying opinion will be found of interest:

"HOLLIDAYSBURG, Pa., September 7.—The assignee's report of the suspended banking-house of Gardner, Morrow & Co. of Hollidaysburg shows assets of $14,035.24. The 600 depositors will receive three per cent. of the amount of their claims. When the bank failed one year ago a notice posted on its doors informed creditors that they would be paid dollar for dollar."

Mr. Harvey J. Hollister, President of the Grand Rapids, Mich., Clearing-House, in an address before the recent convention of the American Bankers' Association, said:

"All institutions which hold the moneys of the people in trust should be subject to inspection. None but critical, able experts should be employed. The private bank has no right to exemption. The rule should be an inexorable one."

This is the sound position. Private bankers, as individuals, are neither less wise nor honest than other men engaged in banking; nor are they more so. All should be subject to the same supervision. In the above case the great "personal responsibility" has melted away and the poor depositors get almost nothing. It is the business of government to minimize the losses to bank depositors arising either through dishonesty or unwise management, and no class of bankers should be exempted from State or Government supervision.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Connecticut.—An estimate of the assets of the Willimantic Savings Institute, which is under injunction from paying dividends or deposits, places the total value at $566,513; deposit liabilities are $565,228.

District of Columbia—WASHINGTON.—Geo. W. Silsby & Co., brokers in stocks and grain, are reported embarrassed. They suspended some time ago, but resumed later.

Indiana.—On Sept. 2 the Comptroller of the Currency was notified of the failure of the First National Bank, Greensburg. It had $100,000 capital, and on July 23 the deposits were $84,000.

—The State Bank at Ambia, one of the Dwiggins institutions that figured in the flurry of three years ago, closed Aug. 31. The capital stock was $25,000. It is supposed that an assessment recently ordered and which was not paid fully, caused the collapse.

Iowa—SIOUX CITY.—Receiver Winton, of the Iowa Savings Bank, has begun actions against the stockholders for a 100 per cent. assessment under the double liability law. The suits aggregate $126,800, and will be followed by others against non-resident stockholders.

Kansas.—The First State Bank, McPherson, failed on Aug. 31, with liabilities of $28,000.

Massachusetts—BOSTON.—A statement has been issued by the assignee of F. R. Cordley & Co., the brokers who failed several weeks ago. The unsecured liabilities are found to be $783,068, and the assets $418,545, leaving a deficit of $365,422. Most of the assets are understood to be good, though in some cases they will be slow of collection, and in others will have to be secured by litigation.

Michigan.—On August 20 the People's Savings Bank, of Mount Pleasant, closed its doors, Commissioner Just taking possession. For some time the institution has been in a shaky condition. The indirect cause is unfortunate loans.

Two years after the panic of '93 commenced the bank was on the ragged edge, but it was consolidated with the Commercial Savings Bank. No particular good was done, however, by this move. The failure of a couple of business men a dozen years ago crippled it badly. Ex-Cashier and ex-Vice-President J. F. Ryan withdrew a few months ago on account of friction.

The bank had a capital of $100,000 and deposits of about $60,000 or $70,000. It owns the building in which the banking office is located, and though the property is mortgaged, some think it will enable the bank, with its other assets, to come pretty near meeting its liabilities.

Minnesota—MINNEAPOLIS.—The Bank of Minneapolis closed on August 27. It is said that the failure was due to a demand of the clearing-house that the bank should substitute cash for $57,000 of real estate carried on its books. On July 23 the deposit liabilities were $148,000.

— On August 21 an attachment was placed on the Citizens' Bank, of Lanesboro. It is said that depositors will suffer considerable loss.

Nebraska.—The assets and liabilities of the Nebraska National Bank, York, which closed July 15, have been assumed by the City National Bank. The depositors will be paid in full in four semi-annual payments, at four per cent. interest. In course of time the City National will move into the building formerly occupied by the Nebraska National.

— The People's Bank, of Western, organized in 1894, has gone out of business, paying all depositors in full.

New Hampshire.—The Receivers of the Sullivan Savings Institution recently began paying a fifteen per cent. dividend, which will call for the disbursement of about $175,000.

— The trustees of the Lebanon Savings Bank voted on August 18 to wind up the bank and petition the court for leave to distribute the assets among the depositors. At the request of the trustees the bank was enjoined about a year ago. There has not been any mismanagement or unusual losses.

New York—NEW YORK CITY.—Edward B. Cuthbert, doing business as E. B. Cuthbert & Co., brokers, made an assignment to Ernest H. Ball, August 31. Liabilities are reported about $300,000. Some time ago charges were made against a member of the firm, and after investigation he was expelled from the Stock Exchange.

— J. R. Willard & Co., brokers, assigned to James L. Starbuck, September 9. It is stated the firm was composed of James R. Willard and Elmer and Jay Dwiggins. The firm had a number of branch offices in the city and elsewhere.

Utah.—George Arthur Rice & Co., doing a banking business at Eureka, closed August 19, making an assignment to William Hattfield. Deposits are reported at about $30,000 and assets $19,000.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5084—First National Bank, Ebensburgh, Pennsylvania. Capital, $50,000.

5085—People's National Bank, Waynesburg, Pennsylvania. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Millikin National Bank, Decatur, Ill.; by James Millikin, *et al.*

Fargo National Bank, Fargo, N. D.; by W. C. Macfadden, *et al.*

Woodsville National Bank, Woodsville, N. H.; by E. C. Parker, *et al.*

NEW BANKS, BANKERS, ETC.

ALABAMA.

ABBEVILLE—Bank of Abbeville: capital, $50,000.

TUSCUMBIA—Merchants' Bank.

COLORADO.

EAGLE—Eagle County Bank.

MARBLE—Marble City Bank.

GEORGIA.

AUGUSTA—Davidson & Mathewson, Brokers.

ELLAVILLE—Merchants' Exchange Bank.

IDAHO.

GENESEE—Genesee Exchange Bank.

ILLINOIS.

CHESTER—L. H. Gilster & Bro.

CISCO—J. Stall & Son.

CULLOM—H. G. Steinman.

DECATUR—Millikin National Bank (successor to J. Millikin & Co.); capital, $200,000; Pres., James Millikin; Cas., Orville B. Gorin; Asst. Cas., J. M. Brownback.

EQUALITY—Bank of Equality.

HEBRON—Bank of Hebron; capital, $7,500; Pres., G. W. Conn, Sr.; Vice-Pres., F. N. Torrence; Cas., G. W. Conn, Jr.

NEW BERLIN—Warren-Boynton State Bank (successor to W. M. Warren); capital, $25,000; Pres., W. M. Warren; Cas., C. B. Warren.

SEATON—State Bank (successor to Bank of Seaton); capital, $25,000; Pres., Geo. Seaton; Cas., J. F. Humbert.

INDIANA.

NEW CARLISLE—Bank of the Brummitt Hardware Co.: capital, $30,000.

SULLIVAN—Sullivan State Bank (successor to Farmers' State Bank and Sullivan County Bank); capital, $100,000; Pres., Jacob F. Hoke; Vice-Pres., F. E. Davis; Cas., Wake Giles; Asst. Cas., W. G. Eaton.

INDIAN TERRITORY.

MARIETTA—Merchants and Planters' Bank.

IOWA.

BENNETT—Bennett Savings Bank; capital, $20,000; Pres., Frank Haller; Vice-Pres., D. H. Snoke; Cas., M. G. Blackman; Asst. Cas., Wm. Bierkamp, Jr.

PACKWOOD—Farmers' Savings Bank (successor to Farmers' Bank); capital, $10,000; Pres., Andrew Ryman; Cas., T. Z. Gillett; Asst. Cas., K. C. Gillett.

KANSAS.

NICKERSON—State Bank (successor to Bank of Nickerson and Farmers and Citizens' Bank); capital, $15,000; Pres., A. M. Brown; Cas., L. C. Brown; Asst. Cas., H. E. Fleming.

KENTUCKY.

BRANDENBURG—Farmers' Bank; capital, $16,000; Pres., H. C. Woodson; Cas., J. A. Armstrong; Asst. Cas., Eugene Fontaine.

FULTON—Deposit Bank; capital, $25,000; Pres., Smith Fields; Cas., C. E. Rice.

GEORGETOWN—Bank of Georgetown.

MICHIGAN.

BRONSON—Coward & Monroe Bros.

MINNESOTA.

LINDSTROM—Bank of Lindstrom (Linn, Williams & Co.); capital, $10,000.

RUTHTON—Bank of Ruthton.

TWO HARBORS—Bank of Two Harbors (successor to Sellwood, Burke & Co.); capital, $10,000; Pres., J. H. Upham; Vice-Pres., J. E. Hunter; Cas., D. A. Burke; Asst. Cas., Geo. Munford.

MISSOURI.

ASHLAND—Bass-Johnston Banking Co.

NEBRASKA.

HYANNIS—Bank of Hyannis; capital, $15,000; Pres., Bartlett Richards; Vice-Pres., S. S. Sears; Cas., A. A. Record.

RIVERTON—J. B. McGrew; N. R. Morrow, Mgr.

NORTH CAROLINA.

ASHEBORO—Bank of Randolph; capital, $25,000; Pres., J. M. Worth; Vice-Pres., W. J. Armfield; Cas., W. J. Armfield, Jr.

DUNN—Young's Banking House; Pres., E. F. Young; Cas., V. L. Stephens.

SANFORD—Chatham, Moore & Harnett.

NORTH DAKOTA.

FARGO—Fargo National Bank; capital, $50,000; Pres., Martin Hector; Cas., W. C. Macfadden.

HANNAH—State Bank; capital, $5,000.

MINOT—Great Northern Bank; capital, $15,000; Pres., Joseph Roach; Cas., A. J. Brunner.

RUGBY—Merchants' Bank; capital, $5,000, Pres., Henry Erickson; Cas., W. D. McClintoch.

OHIO.

COLUMBUS—Meeker Bros.

PRAIRIE DEPOT—Home Savings Bank; Cas., Charles S. Strong.

UHRICHSVILLE — Commercial Bank; Pres., T. J. Evans; Cas., J. B. Westhafer; Asst. Cas., Jno. Bray.

WAVERLY—Bank of Waverly; Pres., J. R. Head; Cas., W. V. Watts; Asst. Cas., R. F. McCoppin.

OREGON.

LEBANON—Lebanon Banking Co.; W. J. Carty, Mgr.

PENNSYLVANIA.

WAYNESBURG—People's National Bank; capital, $50,000; Pres., A. Lantz; Cas., W. D. Cotterrel.

SOUTH CAROLINA.

McCOLL—Bank of McColl.

TENNESSEE.

LAWRENCEBURG—People's Bank.

TEXAS.

MADISONVILLE—Cotton Belt Bank (F. D. Smith; capital, $15,000).

VIRGINIA.

NEW MARKET—Citizens' Bank.

WEST VIRGINIA.

PENNSBORO—Farmers and Merchants' Bank; capital, $100,000.

WISCONSIN.

LOYAL—Bank of Loyal.

MILWAUKEE—Citizens' Loan and Trust Co.; capital, $100,000.

SUPERIOR—Superior Bank; J. M. Peyton, Banker.

CANADA.

ALBERTA.

LETHBRIDGE—Bank of Montreal.

NOVA SCOTIA.

BERWICK—Commercial Bank of Windsor.

MIDDLETON—Halifax Banking Co.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARKANSAS.

PINE BLUFF—Bank of Pine Bluff; J. M. Gracie, Pres. *pro tem.* instead of Thomas B. James, resigned.

CALIFORNIA.

ALHAMBRA — Alhambra Bank; T. Edward Gray, Pres. in place of J. M. Elliott; Milbank Johnson, Vice-Pres.

FULLERTON — Fruit Growers' Bank; J. F. Davis, Sec.

GAUDALOUPE—Bank of Gaudaloupe; Dante Muscio, Cas. in place of O. H. Root.

HANFORD — Farmers and Merchants' Bank and Bank of Hanford; W. J. Newport, Pres.

HEALDSBURG — Bank of Healdsburg—John Favour, Pres. in place of J. W. Wilson.

LOS ANGELES — California Bank; John C. Mossin, Cas. in place of J. M. Witmer.—Citizens' Bank; G. B. McLaughlin, Cas. in place of A. J. Waters.

SAN FRANCISCO — Security Savings Bank; Winfield S. Jones, Pres. in place of O. D. Baldwin; William Babcock, Vice-Pres.—Hibernia Savings Bank; J. J. O'Brien, Vice-Pres., deceased.

COLORADO.

COLORADO SPRINGS — Exchange National Bank; E. H. Rich, Vice-Pres. in place of W. H. Reed; A. G. Sharp, Cas. in place of D. Herron.

GRAND JUNCTION — First National Bank; T. M. Jones, Pres. in place of Geo. Arthur Rice, resigned; A. A. Miller, Vice-Pres. in place of T. M. Jones.

TELLURIDE — First National Bank; L. L. Nunn, Pres. in place of William Story; A. M. Wrench, Cas. in place of I. E. Brown.

CONNECTICUT.

HARTFORD—Mechanics' Sav'gs Bank; Henry C. Dwight, Pres. in place of Daniel Phillips, retired; Hugh Harbison, Vice-Pres. in place of Henry C. Dwight.

MIDDLETOWN — Charles E. Jackson; title changed to Jackson Company (incorporated.)

NORWALK—National Bank of Norwalk; Jno. P. Treadwell, Asst. Cas.

ROCKVILLE—First National Bank; Wm. Butler, Vice-Pres. in place of F. L. Dickinson, deceased.

GEORGIA.

ATLANTA—Piedmont Loan & Banking Co.; Isham Daniel, Pres. in place of Jos. Thompson.

ROME—First National Bank; corporate existence extended until August 15, 1917.

ILLINOIS.

BLOOMINGTON—First National Bank; Chas. B. Perrigo, Asst. Cas., deceased.

CARMI—First National Bank; U. S. Parrish, Cas. in place of Geo. Land.

CHICAGO—Edward L. Brewster & Co.; W. V. Baker admitted to firm.

MURPHYSBOROUGH—First National Bank; John S. Norman, Asst. Cas. in place of Chas. L. Ritter.

NEOGA—Cumberland County Bank; F. M. Welshimer, Cas. in place of W. D. Dickey.

RIDGWAY — Gallatin County Bank; Geo. Land, Cas. in place of D. K. Wiedeman.

ROCKFORD—Third National Bank; A. Catlin Spafford, Pres., deceased.

INDIANA.

FLORA—Bank of Flora; Reuben R. Bright, proprietor in place of John F. Hawkins; Jesse T. Bright, Cas.

ROCKVILLE—Rockville National Bank; M. H. Case, Vice-Pres. in place of S. L. McCune.

INDIAN TERRITORY.

VINITA—Vinita National Bank; L. W. Buffington, Vice-Pres.

IOWA.

BURT—Burt Bank; C. H. Blossom, Cas. in place of E. J. Murtagh.

CASTANA — Castana Savings Bank; Lyman Whittier, Pres. in place of J. B. P. Day.

ELDORA—Hardin County Bank: Mrs. Alice D. Hubbard, Vice-Pres.

EMMETSBURG—Bank of Emmetsburg; succeeded by Farmers' Savings Bank.

FORT DODGE—Fort Dodge National Bank; A. F. Gunther, Pres., deceased.

GERMANIA —State Bank; Frank J. Finn, Asst. Cas. in place of W. H. Bruhns.

LAMONT—Lamont Savings Bank; A. R. Loomis, Pres., deceased.

MASON CITY—First National Bank; W. D. Balch, Vice-Pres., deceased.

KANSAS.

BELLEPLAINE — Valley State Bank; J. D. Reed, Pres.; M. L. Haworth, Cas.

CLAY CENTER—First National Bank; F. H. Myers, Cas. in place of P. P. Kehoe.

EL DORADO—Farmers and Merchants' National Bank; N. F. Frazier, Pres. in place of Robert H. Hazlett.

HAYS CITY—First National Bank; W. J. Madden, Asst. Cas.

KENTUCKY.

CYNTHIANA—Farmers' National Bank; capital reduced from $120,000 to $80,000.

GEORGETOWN—Farmers' Bank; E. B. Yates, Cas. in place of S. S. Wells.

MAYSVILLE — First National Bank; J. D. Riley, Pres. in place of S. A. Piper, deceased.

OWENTON—First National Bank; capital reduced to $63,000.

WICKLIFFE—Bank of Wickliffe; D. T. Newman, Vice-Pres. in place of S. J. Moore.

MARYLAND.

BALTIMORE—German Savings Bank; Ernst B. Rudolph, Vice-Pres., deceased.

CENTERVILLE — Centerville National Bank; James Bordley, Pres. in place of William McKenney, deceased.

UPPER MARLBORO—Bank of Southern Maryland; Geo. W. Wilson, Jr., Asst. Cas.

MASSACHUSETTS.

BOSTON—Hamilton National Bank; Aaron H. Bean, Pres., deceased.——Freeman's National Bank; B. W. Taggard, director, deceased.

MIDDLEBORO — Middleboro Savings Bank; Everett Robinson, Pres., deceased.

SPRINGFIELD—Second National Bank; William H. Wright, director, deceased.

MICHIGAN.

GRAND RAPIDS—Fifth National Bank; W. A. Shinkman, Cas. in place of W. H. Fowler.

IRON MOUNTAIN—First National Bank; W. S. Laing, Pres. in place of J. R. Wood.

SHEPHERD—Farmers' Bank; Elmer E. Struble, Cas., deceased.

MINNESOTA.

ELBOW LAKE—First National Bank; O. T. Stromme, Asst. Cas.

MANKATO—National Citizens' Bank; W. G. Hoerr, Pres. in place of J. F. Meagher; Lorin Cray, Vice-Pres. in place of L. Patterson; J. B. Meagher, Cas. in place of W. G. Hoerr; W. C. Henlein, Asst. Cas. in place of John B. Meagher. —— First National Bank; John Klein, Vice-Pres. in place of R. D. Hubbard.

ST. PAUL—Germania Bank; resumed.

MISSISSIPPI.

BALDWYN—Bank of Baldwyn; capital, $7,600.

GRENADA—Merchants' Bank; W. N. Pass, Vice-Pres., deceased.

MISSOURI.

AURORA—Miners & Merchants' Bank; J. M. Browning, Asst. Cas. in place of W. O. Buck.

BETHANY—Bethany Savings Bank; W. B. Plouck, Asst. Cas. in place of C. H. Lewis.

FAIRFAX—Exchange Bank; E. H. Schaab, Pres. in place of W. N. Hendrick.

KANSAS CITY—Abell Bond and Brokerage Co. and Kansas City Investment Co.; Melville B. Abell, deceased.

TIPTON—Bank of Tipton; Cyrus C. Maclay, Pres., deceased.

WARRENSBURG—Bank of Warrensburg and People's Savings Bank; consolidated under latter title.

MONTANA.

WHITE SULPHUR SPRINGS—First National Bank; A. M. Henry, Pres. in place of John Potter.

NEBRASKA.

HARTINGTON—First National Bank; no Vice-Pres. in place of John Lammers, deceased; no Asst. Cas. in place of Geo. I. Parker.

LINCOLN—First National Bank; Jno. L. Carson, Pres. in place of N. S. Harwood; D. D. Muir, Cas. in place of C. S. Lippincott.

NEW JERSEY.

CAPE MAY—Land Title and Trust Co.; J. Sergeant Price, Vice-Pres., deceased.

NEW YORK.

ALBANY—Albany City National Bank; Erastus Corning, Pres., deceased.

AVON—Cyrus Allen; succeeded by Allen & Carson.

BROOKLYN—Mechanics' Bank and Brooklyn Safe Deposit Co.; Isaac Carhart, director, deceased.——Brooklyn Trust Co. and Brooklyn Safe Deposit Co.; Michael Chauncey, director, deceased.——Dime Savings Bank; Robinson Gill, Pres., deceased.

MATTEAWAN—Matteawan Savings Bank; Granville Van Vliet, Treas. in place of L. Ormsbee.

MORRISVILLE—First National Bank: capital reduced to $50,000.

NEWBURGH—National Bank of Newburgh; Eugene A. Brewster, Vice-Pres. in place of Charles J. Lawson, deceased.

NEW YORK CITY—Irving National Bank; Charles F. Mattlage, Vice-Pres. in place of Charles S. Brown, deceased; John R. Waters, Second Vice-Pres. in place of Charles F. Mattalge.——Bowery Bank; Wm. R. Kurau, Cas.——Tillinghast & Griffin; Chas. H. Griffin, deceased.——Read, Parsons & Co.; Wm. G. Read, Jr., deceased.——H. Dewing & Son; Hiram Dewing, deceased.—— Atlantic Trust Co.; John A. Young, Sec.——Brown Bros. & Co.; Chas. D. Dickey, deceased.

SANDY HILL—People's National Bank; Lincoln Paris, Cas. in place of W. J. Townsend.

WESTCHESTER—Bank of Westchester; title changed to Bronx Borough Bank.

OHIO.

CINCINNATI—G. P. Altenberg & Co.; succeeded by L. W. Foster & Co.——German National Bank; Justin Griess, elected director in place of John. D. Koch, deceased.

CLEVELAND—Garfield Savings Bank Co.; J. V. Dawes, Sec. and Treas., deceased.

COSHOCTON—Commercial Banking Co.; Jackson Hay, Pres., deceased.

DELAWARE—First National Bank; J. D. Van Deman, Vice-Pres.

PEMBERVILLE—Citizens' Savings Bank; (successor to Strong Banking Co.); Geo. W. Barnes, Pres.; M. Hobart, Vice-Pres.; F. P. Spitzer, Cas.; S. H. Spitzer, Asst. Cas.

XENIA—Citizens' National Bank; F. E. McGervey, Actg. Cas.

OKLAHOMA.

EL RENO—First National Bank; no Cas. in place of F. M. Smith; B. B. Burrell, Asst. Cas.

OREGON.

PORTLAND—United States National Bank; Donald Macleay, director, deceased.

PENNSYLVANIA.

BELLEFONTE—Jackson, Crider & Hastings; succeeded by Jackson, Hastings & Co.

CARBONDALE—First National Bank; R. A. Jadwin, Asst. Cas.

HAZLETON—Hazleton National Bank; surplus increased to $85,000.

DANVILLE—Danville National Bank; no Pres. in place of R. M. Grove; Joseph Hunter, Vice-Pres.

HONESDALE—Wayne Co. Savings Bank; Isaac N. Foster, Pres., deceased.

LANCASTER—Fulton National Bank; John R. Bitner, Pres., deceased.

NAZARETH—Nazareth National Bank; Thos. Cope, Vice-Pres.

PHILADELPHIA—Manayunk National Bank; John Lang elected director in place of David Wallace, deceased. —— Guarantee Trust Co.; John J. Stadiger, director, deceased.

READING — Farmers' National Bank; R. M. Hoffman, Cas. in place of H. M. Hanold.

WELLSBOROUGH—First National Bank and Wellsborough National Bank; consolidated under former title; W. D. Van Horn, Pres. in place of L. Harrison; W. W. Miller, Cas. in place of H. C. Cox.

SOUTH CAROLINA.

PROSPERITY—Wheeler & Moseley; title changed to Moseley & Brown.

ROCK HILL — First National Bank; T. L. Johnston, Cas. in place of J. H. Miller.

SOUTH DAKOTA.

HURON—Standard Sav'gs Bank; W. S. Davis, Cas. in place of H. A. Maxfield.

TEXAS.

AMARILLO—Amarillo National Bank; J. H. Boyce, Asst. Cas. in place of G. E. Nickel.

ATLANTA—First National Bank; no Asst. Cas. in place of L. L. Davis.

BONHAM—First National Bank; S. B. Allen, Pres. in place of W. A. Nunnelee, deceased; no Vice-Pres. in place of S. B. Allen.

BROWNSVILLE—First National Bank; D. A. Duncan, Cas. in place of J. D. Anderson; J. G. Fernandez, Asst. Cas.

GRAND VIEW—First National Bank; C. L. Coffin, Vice-Pres. in place of Philip Walker.

VERMONT.

NEWFANE—Windham Co. Savings Bank; Milon Davidson, Treas., deceased.

VIRGINIA.

HOUSTON—Bank of Halifax; R. Holt Easley, Cas. in place of T. R. Jordan.

LEESBURG—People's National Bank; Otis L. Williams, Asst. Cas.

WASHINGTON.

CHEHALIS—First National Bank; no Cas. in place of J. Y. Coffman.

MOUNT VERNON—First National Bank; J. L. Schultz, Cas. in place of C. S. Moody.

ROSALIA—Bank of Rosalia; J. P. Wells, proprietor, deceased.

WEST VIRGINIA.

GRAFTON—Grafton Bank; capital, $5,000.

PARKERSBURG—Second National Bank; W. H. Wolfe, Pres.; L. B. McFarland no longer Asst. Cas.

WISCONSIN.

BLACK RIVER FALLS—Jackson County Bank (resumed); Frank Odearbolz, Pres.; C. F. Cooper, Vice-Pres.; J. H. Mills, Cas.

FOND DU LAC—Cole Savings Bank; Hubert Hurd, Vice-Pres., deceased.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

DISTRICT OF COLUMBIA.

WASHINGTON—Geo. W. Silsby & Co.

INDIANA.

AMBIA—State Bank.

GREENSBURG—First National Bank.

KANSAS.

MCPHERSON—First State Bank.

SALINA—Salina State Bank.

MICHIGAN.

MOUNT PLEASANT—People's Savings Bank.

ST. LOUIS—First National Bank; in voluntary liquidation July 6.

MINNESOTA.

KASSON—Bank of Kasson.

LANESBORO—Citizens' Bank.

MINNEAPOLIS—Bank of Minneapolis.

NEBRASKA.

O'NEILL—State Bank.

WESTERN—People's Bank.

NEW HAMPSHIRE.

LEBANON—Lebanon Savings Bank; voted to wind up affairs.

NEW YORK.

NEW YORK CITY—E. B. Cuthbert & Co.

NORTH CAROLINA.

ASHEVILLE—First National Bank; in hands of Virgil S. Lusk, Receiver, August 23.

PENNSYLVANIA.

WELLSBORO—Wellsboro National Bank; in voluntary liquidation August 6.

TEXAS.

MASON—First National Bank; in voluntary liquidation August 23.

UTAH.

EUREKA—Geo. Arthur Rice & Co.; suspended.

CANADA.

NOVA SCOTIA.

NORTH SYDNEY—People's Bank of Halifax; discontinued.

Exports and Imports of United States.

MONTH OF JULY.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1892	$58,401,758	$65,670,021	Imp., $7,268,263	Exp., $10,240,198	Exp., $597,008
1893	69,113,857	63,186,067	Exp., 5,927,790	Imp., 5,776,401	" 4,007,976
1894	52,614,176	65,302,066	Imp., 12,687,890	Exp., 12,823,572	" 2,256,175
1895	56,541,589	73,025,646	" 16,484,057	" 3,296,067	" 4,041,728
1896	67,717,789	52,108,552	Exp., 15,609,237	" 10,402,213	" 4,898,599
1897	71,412,485	53,688,489	" 17,723,996	" 4,867,972	" 3,692,583
SEVEN MONTHS.					
1892	537,554,711	497,397,562	Exp., 40,157,149	Exp., 43,773,740	Exp., 8,035,094
1893	457,511,344	520,383,575	Imp., 62,872,231	" 56,182,494	" 13,987,176
1894	456,863,637	397,680,928	Exp., 59,182,709	" 72,297,978	" 21,386,171
1895	443,406,784	464,625,876	Imp., 21,219,092	" 12,542,569	" 23,626,724
1896	512,329,786	421,764,109	Exp., 90,565,677	" 28,171,067	" 28,881,447
1897	561,174,647	506,494,902	" 54,679,745	" 26,053,028	" 27,166,973

Indianapolis Monetary Commission.—It is reported that the following-named gentlemen have consented to serve on the Monetary Commission selected by the Executive Committee of the Indianapolis Monetary Conference:

George F. Edmunds, Vermont; Charles S. Fairchild, New York; Stuyvesant Fish, New York; Stewart Patterson, Pennsylvania; T. G. Bushels, J. W. Fries, North Carolina; W. B. Dean, Minnesota; George E. Leighton, Missouri; Robert S. Taylor, Indiana.

NATIONAL BANK RETURNS—RESERVE CITIES AND THE UNITED STATES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on July 23, 1897. These are published below in conjunction with the two preceding statements of May 14, 1897, and March 9, 1897. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

A table showing the condition of all the National Banks of the United States at the date of the last three reports will be found immediately following the reserve cities.

NEW YORK CITY.

RESOURCES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$354,979,582	$355,090,811	$381,543,610
Overdrafts	138,696	157,868	171,858
U. S. bonds to secure circulation	20,069,000	19,256,000	18,939,000
U. S. bonds to secure U. S. deposits	1,220,000	1,300,000	1,360,000
U. S. bonds on hand	4,365,450	4,266,200	4,423,850
Premiums on U. S. bonds	2,091,477	2,057,824	2,076,383
Stocks, securities, etc	37,352,880	39,839,656	40,673,921
Banking house, furniture and fixtures	13,400,069	13,652,947	13,911,729
Other real estate and mortgages owned	1,831,096	1,829,145	1,778,459
Due from National banks (not reserve agents)	25,135,503	30,069,394	27,687,346
Due from State banks and bankers	4,756,222	5,536,684	4,924,591
Due from approved reserve agents	......	......	......
Checks and other cash items	1,515,517	2,075,398	1,874,438
Exchanges for clearing-house	41,107,378	46,747,980	54,708,847
Bills of other National banks	808,443	765,568	1,036,427
Fractional paper currency, nickels and cents	49,140	48,144	51,995
*Lawful money reserve in bank, viz.:			
Gold coin	15,815,129	17,258,969	16,582,169
Gold Treasury certificates	9,431,350	9,170,160	6,618,260
Gold clearing-house certificates	44,120,000	45,346,000	51,040
Silver dollars	106,622	99,283	62,242
Silver Treasury certificates	5,062,380	5,837,871	5,742,852
Silver fractional coin	406,777	442,899	505,559
Legal-tender notes	42,143,514	38,984,728	49,815,965
U. S. certificates of deposit for legal-tender notes	47,375,000	35,810,000	28,915,000
Five per cent. redemption fund with Treasurer	893,827	857,242	843,022
Due from U. S. Treasurer	496,967	1,283,471	836,292
Total	$674,666,991	$677,253,677	$715,623,815

LIABILITIES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Capital stock paid in	$49,600,000	$46,600,000	$48,600,000
Surplus fund	43,152,000	43,042,000	42,892,000
Undivided profits, less expenses and taxes paid	17,173,109	17,958,901	17,401,566
National bank notes issued, less amount on hand	16,647,505	14,786,306	13,874,255
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	176,197,685	161,847,029	179,190,351
Due to State banks and bankers	73,485,201	71,758,220	74,272,082
Dividends unpaid	98,763	103,475	156,569
Individual deposits	297,028,713	316,669,249	337,515,801
U. S. deposits	896,395	885,583	875,596
Deposits of U. S. disbursing officers	241,278	292,812	281,956
Notes and bills rediscounted	......	......	......
Bills payable	......	100,000	200,000
Liabilities other than those above stated	129,781	196,598	347,150
Total	$674,666,991	$677,253,677	$715,623,815
Average reserve held	34.73 p. c.	32.83 p. c.	31.68 p. c.
* Total lawful money reserve	$164,460,772	$152,949,355	$158,782,047

RESOURCES.	ALBANY, N. Y. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	BALTIMORE, MD. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	BOSTON, MASS. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.
Loans and discounts	$7,157,578	$7,518,868	$7,406,878	$29,496,758	$31,160,684	$31,642,033	$156,585,096	$154,988,505	$168,428,055
Overdrafts	2,443	1,607	2,681	32,678	40,717	27,789	81,135	79,982	108,747
U. S. bonds to secure circulation	400,000	400,000	400,000	3,074,000	2,979,000	2,969,000	10,697,000	10,047,000	9,897,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	202,000	202,000	202,000	515,000	265,000	265,000
U. S. bonds on hand	......	......	......	50,580	80,500	80,500	455,000	105,000	105,000
Premiums on U. S. bonds	$27,500	$27,500	27,500	357,089	357,761	355,587	1,190,682	928,912	818,576
Stocks, securities, etc.	772,921	765,836	748,133	3,066,856	2,958,664	2,820,584	7,978,598	7,414,048	7,172,713
Banking house, furniture and fixtures	295,000	295,000	295,000	2,184,795	2,185,521	2,175,080	2,377,686	2,397,989	2,392,786
Other real estate and mortgages owned	29,165	27,962	88,062	158,646	153,257	206,231	487,617	440,900	378,900
Due from National banks (not reserve agents)	1,387,625	1,543,749	1,396,967	1,812,785	2,086,462	1,928,370	13,061,679	14,898,686	12,895,043
Due from State banks and bankers	101,089	655,064	1,001,518	804,118	893,070	287,343	529,202	573,010	766,456
Due from approved reserve agents	3,879,695	4,696,821	3,561,555	3,790,192	2,854,927	3,408,893	26,281,827	27,161,941	32,174,627
Checks and other cash items	99,756	111,669	56,151	66,119	66,177	90,153	884,675	317,640	254,983
Exchanges for clearing-house	68,876	88,056	75,894	1,432,025	1,739,384	1,686,905	8,397,098	11,844,921	10,319,105
Bills of other National banks	51,587	65,864	70,783	214,335	227,551	222,398	956,472	1,040,738	1,236,688
Fractional paper currency, nickels and cents	3,051	2,758	2,483	14,591	12,898	14,188	20,600	23,580	27,089
*Lawful money reserve in bank, viz.:									
Gold coin	465,711	487,711	490,800	1,865,234	1,946,946	1,897,512	7,148,717	7,156,271	7,177,542
Gold Treasury certificates	304,500	304,250	334,250	626,590	347,140	357,120	1,251,660	1,255,750	1,291,290
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	13,610	18,501	25,483	64,667	55,014	60,873	80,018	76,575	75,848
Silver Treasury certificates	35,000	51,000	49,200	1,436,400	1,626,527	1,606,424	2,268,987	2,871,149	2,872,307
Silver fractional coin	28,726	37,718	24,712	79,358	88,002	74,568	151,581	156,198	162,719
Legal-tender notes	244,488	301,077	399,230	560,042	622,135	618,949	5,937,460	5,635,508	7,211,387
U. S. certificates of deposit for legal-tenders	......	......	......	1,720,000	1,600,000	1,540,000	1,820,000	1,410,000	1,870,000
Five per cent. redemption fund with Treas.	18,000	18,000	18,000	138,330	134,055	133,605	492,615	438,615	422,095
Due from U. S. Treasurer	......	......	......	4,000	2,000	8,005	80,660	209,240	319,261
Total	$14,885,721	$17,468,516	$16,474,273	$52,747,136	$53,915,348	$54,408,508	$249,125,962	$250,680,060	$263,125,168
LIABILITIES.									
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000	$13,243,260	$13,243,260	$13,243,260	$50,750,000	$50,750,000	$50,350,000
Surplus fund	1,398,000	1,398,000	1,398,000	4,923,000	4,923,000	4,941,625	14,950,325	14,946,578	14,946,578
Undiv. profits, less expenses and taxes paid	180,078	175,568	176,715	950,186	1,152,206	1,023,863	5,868,829	4,765,370	5,605,975
National bank notes issued, less am't on hand	343,980	351,250	345,530	2,716,600	2,639,587	2,615,687	9,594,055	8,354,270	8,082,630
State bank notes outstanding	......	......	......	4,606	4,606	4,606	......	......	......
Due to other National banks	2,927,199	3,115,269	2,996,741	5,770,118	5,334,565	6,215,708	39,039,129	35,197,919	38,784,438
Due to State banks and bankers	1,692,705	1,545,423	1,527,701	1,251,142	1,282,256	1,456,617	18,374,916	18,847,417	23,918,649
Dividends unpaid	817	2,131	1,016	$58,364	$74,281	116,160	81,917	50,677	37,803
Individual deposits	6,771,200	9,259,133	8,398,529	23,489,741	24,949,148	24,208,673	108,918,684	115,954,063	120,065,759
U. S. deposits	46,078	46,214	42,463	216,117	210,435	242,800	117,967	118,598	116,590
Deposits of U. S. disbursing officers	3,921	3,785	7,536	......	......	......	65,182	72,727	54,175
Notes and bills rediscounted	21,738	21,738	21,738	......	......	......	......	427,667	......
Bills payable	......	......	......	124,000	102,000	340,000	1,412,240	1,068,065	1,096,757
Liabilities other than those above stated	......	......	8,300	......	......	......	3,215	106,739	113,809
Total	$14,885,721	$17,468,516	$16,474,273	$52,747,136	$53,915,348	$54,408,508	$249,125,962	$250,680,060	$263,125,168
Average reserve held	45.43 p. c.	50.91 p. c.	47.01 p. c.	38.05 p. c.	33.83 p. c.	34.47 p. c.	31.64 p. c.	32.07 p. c.	33.76 p. c.
***Total lawful money reserve**	$1,092,085	$1,200,257	$1,323,675	$8,352,287	$7,280,764	$6,154,942	$18,658,878	$18,061,446	$20,661,088

	BROOKLYN, N. Y.			CHICAGO, ILL.			CINCINNATI, OHIO.		
RESOURCES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$11,497,804	$11,802,675	$11,239,945	$75,599,441	$81,165,984	$82,177,379	$21,241,496	$22,842,814	$22,007,997
Overdrafts	1,642	1,376	950	178,402	308,984	468,242	19,835	9,713	14,909
U. S. bonds to secure circulation	642,000	642,000	642,000	1,150,000	1,150,000	1,100,000	4,944,500	4,844,500	5,102,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	550,000	550,000	550,000	850,000	1,200,000	1,200,000
U. S. bonds on hand	105,000	105,000	105,000	105,100	792,350	895,350	889,150	842,000	981,950
Premiums on U. S. bonds	65,125	63,750	50,875	63,795	100,678	95,322	709,914	766,686	827,617
Stocks, securities, etc	2,617,609	2,236,755	2,103,515	6,573,723	6,576,183	7,062,778	3,335,971	4,623,185	3,919,643
Banking house, furniture and fixtures	599,859	600,854	600,454	822,853	821,853	825,969	479,340	479,340	476,040
Other real estate and mortgages owned	92,500	92,500	92,500	621,000	663,817	638,884	119,787	151,518	191,927
Due from National banks (not reserve agents)	201,216	187,809	170,714	22,039,119	21,327,774	21,195,817	2,899,837	3,170,622	2,983,392
Due from State banks and bankers	70,923	144,078	179,474	4,323,798	4,694,174	4,357,304	470,351	594,858	523,021
Due from approved reserve agents	2,408,562	2,523,083	3,228,455	......	......	......	4,654,464	4,027,897	5,143,981
Checks and other cash items	71,727	106,887	112,267	38,514	52,966	154,764	135,651	124,366	127,605
Exchanges for clearing-house	930,519	880,826	723,158	3,815,258	3,804,565	4,713,249	360,583	264,800	375,301
Bills of other National Banks	224,692	157,888	178,672	1,690,523	1,989,405	2,268,266	251,227	422,954	399,040
Fractional paper currency, nickels and cents	6,016	6,682	6,749	21,578	15,644	19,874	2,505	3,427	2,808
*Lawful money reserve in bank, viz.:									
Gold coin	$823,140	$786,350	725,549	13,473,277	13,450,060	14,372,808	955,380	980,543	1,018,317
Gold Treasury certificates	285,000	185,000	185,000	2,169,700	2,535,000	2,302,000	292,810	299,890	300,550
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	21,100	20,000	21,439	155,287	153,890	167,237	49,487	73,332	69,602
Silver Treasury certificates	602,640	631,895	748,183	2,664,182	4,366,270	3,935,908	511,488	617,369	681,786
Silver fractional coin	51,374	50,191	72,691	179,178	204,285	198,123	27,596	27,516	81,484
Legal-tender notes	1,846,888	1,181,717	1,253,324	12,784,711	18,618,766	14,835,502	2,326,794	2,563,524	2,675,043
U. S. certificates of deposit for legal-tenders	40,000	......	......	2,490,000	3,360,000	3,320,000	650,000	700,000	750,000
Five per cent. redemption fund with Treas.	28,890	28,890	28,890	49,5 0	49,500	47,[illegible]50	222,502	218,002	234,562
Due from U. S. Treasurer	......	5,000	......	94,000	95,982	64,370	2,250	1,000	......
Total	$22,984,232	$22,641,218	$22,664,311	$151,652,842	$166,797,807	$165,766,566	$46,302,273	$49,849,306	$49,978,511
LIABILITIES.									
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000	$20,400,000	$20,400,000	$19,700,000	$8,000,000	$8,000,000	$7,800,000
Surplus fund	2,350,000	2,600,000	2,270,000	8,444,400	8,419,101	8,264,900	2,680,000	2,680,000	2,740,000
Undiv. profits, less expenses and taxes paid	354,563	172,232	353,638	1,958,461	1,914,290	1,816,290	1,108,194	917,274	993,832
National bank notes issued, less am't on hand	575,050	571,900	577,800	709,045	695,835	635,065	4,368,850	4,324,400	4,518,800
State bank notes outstanding	1,846	1,846	1,846	......	......	......	......	......	......
Due to other National banks	238,111	257,052	279,870	35,872,968	42,080,974	43,189,944	6,885,320	7,283,369	8,241,780
Due to State banks and bankers	274,415	256,335	362,910	22,598,066	23,808,963	24,439,653	3,602,418	3,593,519	3,830,464
Dividends unpaid	1,060	453	10,769	3,519	3,701	12,816	2,272	31,191	4,110
Individual deposits	17,576,775	17,215,987	17,227,225	60,581,513	68,658,101	67,158,561	18,093,484	21,090,368	19,779,311
U. S. deposits	170,682	154,786	163,329	490,753	489,512	480,402	847,282	1,180,766	1,326,211
Deposits of U. S. disbursing officers	29,517	43,440	35,956	40,074	53,762	60,084	......	......	......
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	......	......	......	456,020	267,645	......	......	......	......
Liabilities other than those above stated	10,209	15,178	28,964	8,000	5,900	8,900	720,500	748,416	739,500
Total	$22,984,232	$22,641,218	$22,664,311	$151,652,842	$166,797,807	$165,766,566	$46,302,273	$49,849,306	$49,978,511
Average reserve held	33.25 p. c.	32.66 p. c.	37.19 p. c.	38.68 p. c.	41.36 p. c.	38.11 p. c.	37.98 p. c.	38.10 p. c.	37.51 p. c.
***Total lawful money reserve**	$3,170,148	$3,855,153	$3,001,187	$33,916,296	$42,688,541	$39,181,573	$4,818,505	$5,261,674	$5,471,782

RESOURCES.	CLEVELAND, OHIO. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	DES MOINES, IOWA. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	DETROIT, MICH. Mar. 9, 1897.	May 14, 1897.	July 23, 1897.
Loans and discounts	$26,502,702	$27,071,768	$27,845,399	$1,973,986	$2,356,942	$2,355,288	$13,589,637	$14,016,726	$13,996,282
Overdrafts	28,479	28,029	46,363	12,487	17,898	10,061	7,457	8,066	5,964
U. S. bonds to secure circulation	1,450,000	1,450,000	1,550,000	292,200	292,200	292,200	1,260,000	1,150,000	1,150,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000	......	......	......	300,000	300,000	300,000
U. S. bonds on hand	......	......	......	......	......	......	300,000	300,000	300,000
Premiums on U. S. bonds	51,300	51,300	51,800	13,000	13,000	13,000	196,250	186,000	184,250
Stocks, securities, etc	868,015	1,068,882	896,491	261,197	236,910	240,259	1,365	41,265	51,643
Banking house, furniture and fixtures	508,500	507,500	507,500	143,541	143,541	143,541	339,788	331,788	31,288
Other real estate and mortgages owned	269,407	264,803	219,254	92,615	95,365	96,791	165,126	230,425	225,755
Due from National banks (not reserve agents)	1,969,632	1,788,618	2,281,521	164,592	182,552	232,858	1,530,874	1,285,743	1,079,569
Due from State banks and bankers	611,874	721,801	679,631	40,570	31,520	47,873	335,495	373,583	364,797
Due from approved reserve agents	5,364,737	3,246,501	5,815,687	602,749	580,182	653,547	3,687,791	3,061,232	3,479,998
Checks and other cash items	54,157	83,435	80,928	7,437	6,141	27,628	17,570	11,745	15,804
Exchanges for clearing-house	211,409	193,264	157,571	39,463	70,966	49,784	120,546	222,478	277,218
Bills of other National banks	134,997	157,764	152,470	53,524	57,298	27,414	159,369	168,170	198,487
Fractional paper currency, nickels and cents	5,765	3,738	4,332	738	1,226	1,025	11,066	9,619	10,796
*Lawful money reserve in bank, viz.:									
Gold coin	1,496,027	1,471,705	1,517,557	78,007	105,822	189,882	1,283,965	1,244,172	1,287,570
Gold Treasury certificates	237,750	239,780	241,000	2,540	2,800	8,220	13,260	13,230	13,720
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	71,458	62,523	63,896	13,350	20,094	14,065	109,468	27,076	51,218
Silver Treasury certificates	118,313	123,305	120,535	21,864	18,362	17,718	118,518	161,440	194,120
Silver fractional coin	42,918	31,248	34,140	13,066	18,482	6,210	46,084	41,296	41,199
Legal-tender notes	1,056,600	1,162,475	1,041,798	242,058	312,199	239,291	536,584	650,508	850,328
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	64,550	65,250	69,750	13,094	13,094	13,094	56,160	51,660	51,660
Due from U. S. Treasurer	13,140	10,550	12,000	1,023	1,023	23	11,457	5,246	8,966
Total	$41,186,731	$39,828,244	$42,949,123	$4,068,001	$4,577,614	$4,685,298	$23,784,337	$23,556,477	$24,165,650
LIABILITIES.									
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000	$800,000	$800,000	$800,000	$3,600,000	$3,300,000	$3,300,000
Surplus fund	2,066,000	2,085,000	2,085,000	236,000	221,000	221,000	618,000	605,000	605,000
Undiv. profits, less expenses and taxes paid	697,827	544,710	619,922	41,746	57,621	47,863	315,760	341,611	284,288
National bank notes issued, less am't on hand	1,245,260	1,234,240	1,328,810	252,547	248,027	243,287	982,330	909,890	899,960
Due to other National banks	3,091,614	2,979,482	3,562,944	531,943	724,910	638,499	2,902,491	2,826,671	3,331,337
Due to State banks and bankers	2,238,008	2,135,051	2,615,411	869,851	1,006,666	1,288,730	5,831,400	5,023,615	5,563,118
Dividends unpaid	1,377	10,829	1,427	3,324	3,294	3,980	386	220	3,764
Individual deposits	20,758,080	19,719,822	21,842,949	1,327,588	1,501,098	1,441,932	9,733,129	10,245,406	9,899,581
U. S. deposits	42,084	51,517	50,295	......	......	......	259,886	265,422	234,418
Deposits of U. S. disbursing officers	17,876	11,870	11,206	......	......	......	40,951	38,639	64,189
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	725,000	750,000	425,000	20,000	15,000	......	......	......	......
Liabilities other than those above stated	756,152	756,718	856,157	......	......	......	......	......	......
Total	$41,186,731	$39,828,244	$42,949,123	$4,068,001	$4,577,614	$4,685,298	$23,784,337	$23,556,477	$24,165,659
Average reserve held	38.05 p. c.	29.04 p. c.	35.89 p. c.	40.53 p. c.	37.01 p. c.	37.70 p. c.	35.64 p. c.	32.06 p. c.	34.75 p. c.
* Total lawful money reserve	$3,023,061	$3,091,036	$3,018,923	$370,885	$477,759	$470,881	$2,052,879	$2,187,718	$2,438,155

	HOUSTON, TEXAS.			KANSAS CITY, MO.			LINCOLN, NEB.		
Resources.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$1,719,274	$1,792,168	$1,980,595	$12,519,701	$13,880,159	$12,854,369	$1,546,827	$1,501,982	$1,620,421
Overdrafts	132,837	28,328	38,145	140,270	67,172	131,336	12,976	16,688	9,801
U. S. bonds to secure circulation	200,000	200,000	200,000	350,000	350,000	250,000	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	100,000	100,000	100,000	......	......	......
U. S. bonds on hand	......	......	......	250,000	350,000	290,000	......	......	......
Premiums on U. S. bonds	21,600	21,333	21,033	96,750	96,750	71,900	5,500	5,500	5,500
Stocks, securities, etc	58,776	51,692	43,724	831,975	961,116	680,477	85,166	84,883	68,811
Banking house, furniture and fixtures	132,851	132,920	132,851	86,343	86,343	81,375	8,994	8,994	9,037
Other real estate and mortgages owned	39,898	115,236	115,285	387,521	480,346	267,623	69,776	71,175	80,909
Due from National banks (not reserve agents)	608,466	571,525	167,133	760,442	668,908	1,619,453	54,973	83,962	149,536
Due from State banks and bankers	20,250	15,507	49,462	1,341,168	1,179,578	790,568	18,881	52,788	41,240
Due from approved reserve agents	833,043	528,006	252,156	3,771,140	3,973,926	4,476,409	164,277	219,661	175,174
Checks and other cash items	1,907	4,034	1,514	146,048	109,537	49,874	35,079	41,561	35,529
Exchanges for clearing-house	11,016	25,062	4,426	694,719	631,065	354,670	9,411	9,354	7,400
Bills of other National banks	73,036	44,665	106,595	251,979	228,329	198,040	3,800	3,100	2,500
Fractional paper currency, nickels and cents	3,936	5,120	4,016	5,727	4,288	3,856	609	710	1,387
*Lawful money reserve in bank, viz.:									
Gold coin	309,528	290,934	328,901	866,295	924,000	1,101,012	76,732	105,795	97,067
Gold Treasury certificates	131,250	129,450	134,220	47,160	32,260	22,120	......	......	500
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	63,096	72,132	56,817	115,262	85,415	85,979	17,136	18,116	16,262
Silver Treasury certificates	153,625	116,140	149,155	417,758	406,648	527,445	3,254	1,812	2,521
Silver fractional coin	20,854	16,627	13,768	22,416	23,926	24,919	4,416	6,276	10,273
Legal-tender notes	710,775	688,980	784,225	1,085,448	996,013	880,200	154,139	139,376	45,954
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	9,000	9,000	9,000	15,750	15,750	11,250	6,750	6,750	6,750
Due from U. S. Treasurer	......	......	......	23,060	14,300	......	......	......	......
Total	$5,300,024	$4,908,764	$4,643,022	$24,426,929	$25,663,845	$24,872,880	$2,423,203	$2,528,439	$2,536,527
Liabilities.									
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000	$3,300,000	$3,300,000	$2,300,000	$850,000	$850,000	$850,000
Surplus fund	546,800	546,800	558,800	521,000	525,000	477,000	35,000	35,000	35,000
Undiv. profits, less expenses and taxes paid	76,874	110,594	76,502	175,630	230,059	169,714	8,365	22,827	22,396
National bank notes issued, less am't on hand	142,690	135,190	141,800	315,000	315,000	225,000	134,400	133,650	135,000
Due to other National banks	609,770	896,714	289,602	4,936,984	5,199,585	5,317,248	88,012	91,843	125,581
Due to State banks and bankers	253,730	234,247	97,437	5,396,545	5,737,941	5,864,089	94,907	149,357	151,612
Dividends unpaid	4,852	8,848	4,786	2,090	1,607	23,887	......	......	......
Individual deposits	2,464,806	2,278,869	2,269,887	9,872,961	9,729,917	10,387,751	1,182,777	1,245,761	1,216,966
U. S. deposits	$50,000	$50,000	50,000	82,743	77,192	65,782	......	......	......
Deposits of U. S. disbursing officers	......	......	......	23,972	22,544	42,457	......	......	......
Notes and bills rediscounted	......	......	......	......	......	......	5,000	......	......
Bills payable	......	......	......	800,000	525,000	......	29,740	......	......
Liabilities other than those above stated	1,500	3,000	4,206	......	......	......	......	......	......
Total	$5,300,024	$4,908,764	$4,643,022	$24,426,929	$25,663,845	$24,872,880	$2,423,203	$2,528,439	$2,536,527
Average reserve held	33.43 p. c.	30.26 p. c.	72.49 p. c.	37.82 p. c.	35.75 p. c.	38.05 p. c.	33.37 p. c.	37.21 p. c.	27.41 p. c.
* Total lawful money reserve	$1,389,128	$1,314,263	$1,467,081	$2,554,329	$2,468,262	$2,641,675	$255,677	$271,375	$172,578

	LOUISVILLE, KY.			MILWAUKEE, WIS.			MINNEAPOLIS, MINN.		
RESOURCES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$6,948,529	$7,227,760	$7,059,858	$13,798,085	$14,308,492	$15,306,573	$9,661,030	$9,405,274	$9,270,769
Overdrafts	12,649	9,533	7,469	93,137	106,086	139,807	12,423	11,604	10,118
U. S. bonds to secure circulation	1,575,000	1,575,000	1,575,000	720,000	720,000	720,000	350,000	300,000	300,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000	390,000	390,000	390,000	50,000	50,000	50,000
U. S. bonds on hand	250,000	200,000	100,000	7,250	10,550	7,750	......	......	......
Premiums on U. S. bonds	241,487	244,300	224,812	108,159	120,859	134,484	24,125	24,125	24,125
Stocks, securities, etc	534,159	517,106	523,498	835,960	837,696	938,413	343,157	349,810	602,900
Banking house, furniture and fixtures	188,400	188,400	188,400	126,763	126,763	126,263	147,881	105,950	105,950
Other real estate and mortgages owned	5,765	3,668	4,468	59,438	62,030	64,900	230,685	70,000	93,761
Due from National banks (not reserve agents)	707,698	668,974	639,463	1,229,964	1,907,497	1,998,645	829,276	912,904	825,458
Due from State banks and bankers	218,863	236,849	157,915	374,344	757,991	767,026	626,243	568,432	641,426
Due from approved reserve agents	2,031,813	1,426,052	1,965,733	3,951,441	4,808,674	4,257,291	1,350,228	1,981,038	2,277,718
Checks and other cash items	5,135	11,594	9,687	3,686	4,447	4,137	18,284	82,974	15,418
Exchanges for clearing-house	65,222	156,502	83,724	260,460	411,657	268,249	344,978	414,462	511,291
Bills of other National banks	49,825	73,984	78,501	62,176	62,243	79,692	72,468	85,286	171,179
Fractional paper currency, nickels and cents	1,101	3,310	3,835	5,087	3,336	5,088	3,561	4,668	3,888
*Lawful money reserve in bank, viz.:									
Gold coin	812,170	718,355	720,044	1,668,645	1,691,726	1,754,664	778,417	835,855	1,016,955
Gold Treasury certificates	5,000	5,000	5,000	......	30,000	......	2,500	3,500	4,500
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	41,272	31,869	21,516	21,020	20,290	32,022	31,454	37,402	40,129
Silver Treasury certificates	......	......	......	102,932	114,732	294,872	86,216	45,500	55,000
Silver fractional coin	14,965	21,610	11,676	21,888	25,460	28,687	22,745	28,518	34,459
Legal-tender notes	402,884	635,901	604,594	825,296	1,115,761	1,168,139	308,074	402,917	581,952
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	70,695	70,695	70,695	32,400	32,400	32,400	15,750	12,900	12,750
Due from U. S. Treasurer	7,200	16,800	......	5,000	10,400	4,900	......	1,500	4,000
Total	$14,686,287	$14,538,267	$14,505,883	$24,703,084	$27,679,094	$28,524,007	$15,298,892	$15,629,617	$16,623,746
LIABILITIES.									
Capital stock paid in	$3,350,000	$3,350,000	$3,000,000	$3,250,000	$3,250,000	$3,250,000	$5,000,000	$4,500,000	$4,500,000
Surplus fund	694,000	651,500	651,000	531,000	531,000	575,000	476,000	476,000	491,000
Undiv. profits, less expenses and taxes paid	200,002	213,554	158,975	251,198	300,704	194,447	355,658	350,018	308,765
National bank notes issued, less am't on hand	1,413,900	1,412,200	1,418,150	648,000	643,300	631,990	277,010	222,550	210,830
Due to other National banks	2,517,813	2,451,532	2,580,202	2,474,521	2,486,700	3,053,840	1,724,896	1,868,486	2,163,241
Due to State banks and bankers	1,697,957	1,798,843	2,017,328	1,406,250	1,483,920	1,650,499	1,079,061	1,331,110	1,423,984
Dividends unpaid	2,670	5,279	7,558	187	125	1,297	954	1,170	1,492
Individual deposits	4,307,094	4,147,281	4,173,343	15,750,271	18,592,641	18,773,378	6,290,324	6,806,785	7,453,606
U. S. deposits	359,172	366,809	194,893	280,831	291,690	273,912	39,049	41,447	42,665
Deposits of U. S. disbursing officers	140,677	183,021	302,312	111,823	98,921	119,641	6,418	7,054	6,281
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	......	......	......	......	......	......	25,000	......	......
Liabilities other than those above stated	3,000	8,286	7,124	......	......	......	25,000	25,000	22,000
Total	$14,686,287	$14,538,267	$14,505,883	$24,703,084	$27,679,094	$28,524,007	$15,298,892	$15,629,617	$16,623,746
Average reserve held	42.29 p. c.	37.40 p. c.	40.63 p. c.	36.60 p. c.	39.56 p. c.	36.46 p. c.	35.58 p. c.	40.81 p. c.	45.00 p. c.
*** Total lawful money reserve**	$1,276,241	$1,407,735	$1,862,830	$2,639,731	$2,997,969	$3,278,384	$1,219,406	$1,353,692	$1,732,995

	NEW ORLEANS LA.			OMAHA, NEB.			PHILADELPHIA, PA.		
RESOURCES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$10,365,913	$10,218,735	$10,423,575	$7,733,290	$7,846,174	$8,216,309	$89,412,647	$93,570,784	$96,045,461
Overdrafts	466,417	406,954	360,783	80,365	96,638	118,139	17,285	8,582	21,458
U. S. bonds to secure circulation	872,000	872,000	872,000	600,000	600,000	600,000	8,282,500	8,232,500	8,212,500
U. S. bonds to secure U. S. deposits	......	......	......	450,000	500,000	400,000	200,000	200,000	300,000
U. S. bonds on hand	10,300	1,200	25,000	12,000	12,000	113,000	300,000	1,300,000	1,300,000
Premiums on U. S. bonds	42,852	41,000	39,154	93,971	96,221	96,326	995,959	868,701	819,756
Stocks, securities, etc	2,566,390	2,555,291	2,188,558	573,185	677,764	552,657	9,484,787	9,842,922	9,654,842
Banking house, furniture and fixture	621,122	621,247	620,747	832,088	832,089	832,384	4,352,792	4,358,660	4,858,656
Other real estate and mortgages owned	96,827	99,262	99,320	$496,465	$517,081	556,213	582,564	558,841	561,285
Due from National banks (not reserve agents)	500,104	435,488	471,996	647,606	598,366	606,518	6,889,3 8	8,516,822	7,026,822
Due from State banks and bankers	474,571	432,712	382,201	438,318	482,350	428,554	1,420,108	1,654,426	1,882,215
Due from approved reserve agents	3,080,221	2,729,390	1,444,309	1,679,254	1,678,684	2,427,347	17,077,157	15,917,215	15,289,488
Checks and other cash items	23,259	9,758	18,371	84,889	99,635	128,310	1,062,188	1,084,908	945,082
Exchanges for clearing-house	1,064,189	923,901	642,289	417,770	495,885	460,991	7,416,389	7,900,562	6,854,082
Bills of other National banks	81,514	47,526	64,739	158,490	110,290	136,899	365,622	388,266	440,158
Fractional paper currency, nickels and cents	8,810	11,417	15,743	3,881	2,977	2,692	59,196	52,578	59,289
*Lawful money reserve in bank, viz.:									
Gold coin	752,251	782,579	723,017	1,545,062	1,613,457	1,529,387	1,487,757	1,455,945	1,739,630
Gold Treasury certificates	121,800	126,600	177,970	29,020	30,270	29,960	177,900	162,190	160,890
Gold clearing-house certificates	......	......	......	......	......	......	5,450,000	5,900,000	6,215,000
Silver dollars	105,595	84,190	74,583	97,257	106,279	119,728	244,677	193,272	245,607
Silver Treasury certificates	993,894	466,504	1,042,214	118,838	117,528	185,090	4,523,175	3,670,507	4,076,105
Silver fractional coin	89,659	59,016	75,566	45,078	55,572	49,745	260,528	243,774	319,998
Legal-tender notes	1,858,781	1,417,142	1,442,400	386,408	249,093	386,669	2,819,488	2,718,444	2,500,224
U. S. certificate of deposit for legal-tenders	360,000	265,000	295,000	......	......	......	11,245,000	8,695,000	6,620,000
Five per cent. redemption fund with Treas.	39,240	39,240	39,240	27,000	27,000	27,000	370,462	369,396	367,875
Due from U. S. Treasurer	10,000	10,000	......	26	2,100	......	51,028	93,978	59,378
Total	$24,105,666	$22,651,153	$21,511,282	$16,534,883	$16,847,425	$17,946,924	$173,968,519	$177,829,512	$175,470,144
LIABILITIES.									
Capital stock paid in	$2,300,000	$2,300,000	$2,300,000	$3,750,000	$3,750,000	$3,750,000	$21,915,000	$21,915,000	$21,915,000
Surplus fund	2,285,000	2,285,000	2,310,000	325,500	325,500	325,500	14,658,000	14,668,000	14,683,000
Undiv. profits less expenses and taxes paid	312,060	409,071	298,310	76,944	70,116	49,655	2,859,997	2,558,409	2,619,699
National bank notes issued, less am't on hand	770,795	767,145	770,595	539,995	539,995	539,995	7,180,892	7,051,192	7,142,852
Due to other National banks	1,766,175	1,274,635	864,926	1,909,731	2,349,113	2,878,662	22,787,009	22,732,660	23,222,607
Due to State banks and bankers	1,897,609	1,282,629	1,042,376	1,990,035	2,159,696	2,604,577	5,875,086	6,892,150	7,465,814
Dividends unpaid	10,055	8,400	27,177	483	378	378	43,248	187,078	68,882
Individual deposits	14,763,970	14,874,271	13,815,674	7,411,268	7,109,456	7,281,756	98,075,950	101,407,560	97,786,654
U. S. deposits	......	......	......	231,188	206,601	272,318	$196,340	$202,460	311,671
Deposits of U. S. disbursing officers	......	......	......	184,741	204,570	159,086	......	......	......
Notes and bills rediscounted	......	......	87,222	......	......	......	......	......	......
Bills payable	......	......	......	115,000	......	85,000	400,000	270,000	275,000
Liabilities other than those above stated	......	......	......	......	185,000	......	......	......	11
Total	$24,105,666	$22,651,153	$21,511,282	$16,534,883	$16,847,425	$17,946,924	$173,968,519	$177,829,512	$175,470,144
Average reserve held	42.29 p. c.	39.66 p. c.	37.45 p. c.	39.01 p. c.	37.50 p. c.	40.69 p. c.	38.92 p. c.	34.75 p. c.	38.12 p. c.
*** Total lawful money reserve**	$3,781,960	$3,201,081	$3,830,750	$2,221,678	$3,172,194	$2,260,580	$25,708,526	$22,949,183	$21,877,450

	PITTSBURG, PA.			ST. JOSEPH, MO.			ST. LOUIS, MO.		
RESOURCES.	Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	Mar. 9, 1897.	May 14, 1897.	July 23, 1897.	Mar. 9, 1897.	May 14, 1897.	July 23, 1897.
Loans and discounts	$41,767,147	$43,951,772	$44,625,805	$2,196,6 1	$1,874,221	$1,795,406	$25,802,706	$28,100,860	$29,495,243
Overdrafts	37,707	36,516	27,048	26,147	10,840	10,692	20,580	18,296	33,166
U. S. bonds to secure circulation	5,125,250	5,285,250	5,339,250	200,000	150,000	150,000	1,625,000	1,727,000	1,977,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	50,000	50,000	50,000	500,000	500,000	500,000
U. S. bonds on hand	114,550	216,600	220,900	770	700	750	150,400	100,000	100,000
Premiums on U. S. bonds	532,552	590,287	541,308	3,500	70	20	156,915	175,281	210,531
Stocks, securities, etc	2,949,664	2,862,775	3,419,898	73,616	12,390	12,390	1,474,571	1,441,588	1,352,198
Banking house, furniture and fixtures	3,260,578	3,375,388	3,446,446	108,350	72,000	72,000	941,810	985,874	938,874
Other real estate and mortgages owned	533,388	529,890	508,500	49,656	......	......	171,072	171,085	165,254
Due from National banks (not reserve agents)	2,279,961	1,876,534	2,409,442	274,410	334,564	262,961	8,708,508	6,020,540	5,682,249
Due from State banks and bankers	272,872	322,972	291,466	117,372	59,660	89,742	1,335,126	1,498,530	1,324,028
Due from approved reserve agents	4,958,589	4,349,921	7,389,722	783,266	522,027	589,147	......	......	......
Checks and other cash items	281,880	250,806	314,599	32,564	25,900	25,080	58,660	67,865	54,119
Exchanges for clearing-house	1,571,001	1,610,659	2,365,771	59,452	46,516	56,121	1,779,882	2,176,962	1,039,899
Bills of other National banks	278,145	328,474	395,613	9,715	10,965	9,735	346,624	340,764	312,127
Fractional paper currency, nickels and cents	21,732	18,200	19,176	489	801	809	2,225	2,450	1,486
*Lawful money reserve in bank, viz.:									
Gold coin	3,161,652	3,262,758	3,294,807	$130,512	$98,777	92,371	2,092,202	2,127,420	1,728,877
Gold Treasury certificates	381,660	390,090	398,450	5,860	7,380	9,460	182,480	184,800	241,590
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	241,132	215,826	188,507	15,121	21,657	11,344	34,881	40,784	22,788
Silver Treasury certificates	626,460	775,755	1,072,083	72,367	76,079	82,071	1,781,906	1,068,409	1,001,896
Silver fractional coin	190,195	159,626	145,814	6,218	3,741	3,879	20,636	20,773	14,559
Legal-tender notes	2,087,135	2,018,914	2,707,484	207,739	175,422	168,572	4,837,097	3,806,668	2,640,289
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	1,725,000	1,420,000	2,470,000
Five per cent. redemption fund with Treas.	230,611	237,811	239,501	8,955	6,705	6,705	78,125	77,667	88,917
Due from U. S. Treasurer	36,400	6,000	16,244	3,000	......	2,100	10,792	5,500	10,500
Total	$71,084,738	$72,872,711	$79,572,924	$4,430,705	$3,559,420	$3,500,882	$52,827,105	$52,037,076	$51,340,025
LIABILITIES.									
Capital stock paid in	$12,300,000	$12,300,000	$12,300,000	$850,000	$350,000	$350,000	$8,700,000	$8,400,000	$8,400,000
Surplus fund	9,643,268	9,653,268	9,670,200	142,500	108,484	108,484	1,740,000	1,700,000	1,706,000
Undiv. profits, less expenses and taxes paid	1,580,918	1,740,141	1,683,016	38,833	30,980	25,187	672,729	670,282	632,500
National bank notes issued, less am't on hand	4,552,012	4,712,422	4,718,602	179,100	134,100	134,100	1,452,180	1,419,790	1,658,940
Due to other National banks	6,092,411	5,197,299	6,906,112	420,078	404,947	355,191	11,663,894	11,486,619	11,362,059
Due to State banks and bankers	1,992,580	1,822,849	2,269,037	597,632	608,875	677,984	8,505,539	7,971,781	7,749,382
Dividends unpaid	59,874	93,486	90,794	231	125	125	1,605	6,475	1,966
Individual deposits	34,623,615	37,144,005	41,715,423	2,152,711	1,883,234	1,805,272	19,561,754	19,853,998	19,252,624
U. S. deposits	141,426	139,054	122,575	49,290	48,970	48,762	524,908	519,954	554,901
Deposits of U. S. disbursing officers	58,535	65,082	79,169	332	584	775	......	......	......
Notes and bills rediscounted	......	......	15,398	......	......	......	......	......	......
Bills payable	35,000	....	......	......	......	......	......	......	......
Liabilities other than those above stated	5,100	5,100	2,600	......	......	......	4,500	8,200	21,700
Total	$71,084,738	$72,872,711	$79,572,924	$4,430,705	$3,559,420	$3,500,882	$52,827,105	$52,037,076	$51,340,025
Average reserve held	30.65 p. c.	28.30 p. c.	33.75 p. c.	44.58 p. c.	36.62 p. c.	39.02 p. c.	36.48 p. c.	29.38 p. c.	26.81 p. c.
* Total lawful money reserve	$6,638,234	$6,822,969	$7,802,145	$437,818	$383,056	$367,699	$10,174,155	$8,678,869	$8,119,935

	ST. PAUL, MINN.			SAN FRANCISCO, CAL.			SAVANNAH, GA.		
RESOURCES.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$9,564,859	$8,487,349	$8,529,510	$6,859,809	$7,458,969	$7,408,660	$1,236,869	$1,267,268	$1,143,765
Overdrafts	7,718	4,565	2,052	67,831	88,657	248,288	400	770	314
U. S. bonds to secure circulation	252,000	252,000	252,000	150,000	150,000	150,000	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000	100,000	100,000	150,000	90,000	90,000	90,000
U. S. bonds on hand	......	......	......	50,000	......	......	......	......	......
Premiums on U. S. bonds	......	......	......	17,660	12,660	23,597	11,150	10,900	10,900
Stocks, securities, etc	1,000,233	1,172,751	1,444,719	200,689	744,300	763,721	64,283	53,908	44,458
Banking house, furniture and fixtures	702,718	702,718	702,718	345,296	345,221	345,221	67,239	67,239	67,239
Other real estate and mortgages owned	75,138	75,138	75,826	92,183	90,063	90,135	16,592	16,801	15,384
Due from National banks (not reserve agents)	633,183	725,874	815,234	112,625	126,826	201,188	73,301	51,601	61,684
Due from State banks and bankers	152,823	211,248	195,430	515,378	338,519	192,202	23,357	52,157	42,779
Due from approved reserve agents	2,680,060	3,596,182	3,855,179	270,802	229,755	885,063	65,240	37,040	93,704
Checks and other cash items	39,919	80,496	77,417	8,290	8,290	8,290	......	499	609
Exchanges for clearing-house	128,447	196,867	256,017	71,376	136,984	98,415	17,571	36,016	17,585
Bills of other National banks	148,841	102,664	155,369	2,230	2,450	4,625	35,000	25,000	27,000
Fractional paper currency, nickels and cents	3,255	3,697	2,882	738	657	806	804	719	1,337
*Lawful money reserve in bank, viz.:									
Gold coin	2,060,718	2,151,686	2,013,936	2,386,470	1,559,157	1,605,550	15,000	32,500	30,000
Gold Treasury certificates	8,800	10,820	10,800	......	......	......	2,000	2,000	2,000
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	67,655	117,050	94,270	21,040	21,200	13,040	18,000	3,000	16,000
Silver Treasury certificates	276,611	93,205	183,434	5,848	6,258	9,431	77,431	39,322	43,046
Silver fractional coin	33,348	47,147	38,778	28,456	34,715	25,361	5,700	13,000	10,200
Legal-tender notes	399,998	247,821	346,854	1,095	2,000	2,060	60,000	50,000	40,000
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	11,293	11,293	11,293	6,750	6,750	6,750	4,543	4,543	4,543
Due from U. S. Treasurer	15,130	32,030	23,309	900	1,050	......	7,581	2	2
Total	$18,747,265	$18,793,605	$19,562,033	$11,315,470	$11,459,456	$11,727,421	$1,994,065	$1,956,291	$1,864,455
LIABILITIES.									
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000	$2,500,000	$2,500,000	$2,500,000	$750,000	$750,000	$750,000
Surplus fund	1,055,000	855,000	855,000	1,475,000	1,475,000	1,500,000	225,000	225,000	225,000
Undiv. profits, less expenses and taxes paid	1,000,930	897,642	846,887	120,068	185,219	106,660	49,050	59,925	48,743
National bank notes issued, less amt on hand	220,820	217,650	218,470	90,000	90,000	90,000	83,625	80,835	72,455
Due to other National banks	2,002,650	2,005,877	2,156,124	665,550	658,474	662,482	84,303	70,869	42,784
Due to State banks and bankers	1,463,405	1,687,439	2,206,615	753,881	777,166	841,067	156,026	122,652	77,680
Dividends unpaid	2,526	2,766	4,527	1,985	1,110	4,685	1,338	1,050	2,897
Individual deposits	8,154,991	8,648,051	9,002,584	5,610,140	5,665,657	5,847,826	549,181	546,250	560,429
U. S. deposits	237,219	225,366	331,340	99,375	106,827	175,196	......	26,107	9,998
Deposits of U. S. disbursing officers	235,954	214,312	145,483	......	......	......	549,181	64,100	79,466
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	573,767	240,000	......	......	......	......	......	......	......
Liabilities other than those above stated	......	......	......	......	......	......	......	......	......
Total	$18,747,265	$18,793,605	$19,562,033	$11,315,470	$11,459,456	$11,727,421	$1,994,065	$1,956,291	$1,864,455
Average reserve held	50.38 p. c.	54.31 p. c.	52.75 p. c.	42.82 p. c.	28.16 p. c.	29.06 p. c.	33.63 p. c.	26.83 p. c.	38.36 p. c.
* Total lawful money reserve	$2,867,120	$2,667,230	$2,688,072	$2,442,909	$1,623,831	$1,655,462	$178,131	$139,822	$141,246

	WASHINGTON, D. C.			THE UNITED STATES.		
Resources.	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Mar. 9, 1897.*	*May 14, 1897.*	*July 23, 1897.*
Loans and discounts	$7,965,789	$8,087,818	$9,084,052	$1,886,282,264	$1,923,365,869	$1,966,891,500
Overdrafts	9,666	15,238	18,620	11,727,027	10,786,007	10,662,210
U. S. bonds to secure circulation	929,150	929,150	979,150	231,610,000	229,419,550	228,439,400
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000	16,178,250	16,583,000	16,728,500
U. S. bonds on hand	872,650	533,100	522,850	14,251,650	15,858,850	16,788,300
Premiums on U. S. bonds	69,573	92,001	131,208	17,905,674	17,628,105	17,436,215
Stocks, securities, etc	1,342,444	1,349,443	1,061,497	198,277,987	208,422,977	204,932,235
Banking house, furniture and fixtures	1,069,994	1,069,994	1,069,994	78,596,856	78,695,971	78,978,817
Other real estate and mortgages owned	58,658	52,958	58,126	28,049,346	28,507,938	28,587,539
Due from National banks (not reserve agents)	912,386	1,146,061	1,090,115	133,467,636	140,940,788	135,587,688
Due from State banks and bankers	587,846	510,516	342,617	33,366,153	35,971,045	34,275,424
Due from approved reserve agents	1,684,100	2,574,778	2,058,308	258,430,252	251,948,640	275,755,165
Checks and other cash items	249,823	139,005	152,131	11,635,233	12,000,494	12,017,815
Exchanges for clearing-house	204,815	198,612	133,285	74,830,987	84,350,553	89,457,189
Bills of other National banks	13,091	7,408	8,342	18,523,701	19,476,047	20,606,097
Fractional paper currency, nickels and cents	7,958	7,651	6,929	1,019,633	966,579	981,780
*Lawful money reserve in bank, viz.:						
Gold coin	854,950	880,092	783,945	118,809,395	119,609,201	119,467,606
Gold Treasury certificates	687,570	690,050	682,750	19,725,360	19,426,050	16,792,990
Gold clearing-house certificates	......	......	......	49,770,000	51,361,000	57,426,000
Silver dollars	9,796	9,272	6,794	7,198,522	6,948,283	6,853,275
Silver Treasury certificates	1,397,807	1,228,216	1,046,160	32,864,502	33,175,176	34,626,625
Silver fractional coin	32,802	30,647	29,423	5,581,062	5,556,[illegible]	5,756,105
Legal-tender notes	682,131	607,583	461,061	118,637,852	120,554,[illegible]	126,511,020
U. S. certificates of deposit for legal-tender notes	......	120,000	50,000	67,695,000	53,590,000	46,085,000
Five per cent. redemption fund with Treasurer	195,744	37,294	39,409	10,310,351	10,082,720	10,003,629
Due from U. S. Treasurer	......	......	2,063	1,293,479	2,235,481	1,819,922
Total	$19,383,048	$20,359,890	$19,903,331	$3,446,088,799	$3,492,411,995	$3,563,408,058
Liabilities.						
Capital stock paid in	$3,075,000	$3,075,000	$3,075,000	$642,424,195	$637,002,395	$632,158,042
Surplus fund	1,422,000	1,422,500	1,439,000	247,130,081	246,736,684	246,403,782
Undivided profits, less expenses and taxes paid	263,366	334,632	291,793	86,584,884	88,074,930	83,868,440
National bank notes issued, less amount on hand	705,785	703,865	721,835	202,655,408	198,278,310	196,590,790
State bank notes outstanding	......	......	......	60,391	60,381	60,381
Due to other National banks	336,828	413,987	350,160	369,287,235	363,219,018	388,117,906
Due to State banks and bankers	180,127	217,464	226,910	194,150,435	195,001,040	208,876,900
Dividends unpaid	3,110	3,024	5,208	1,003,095	1,429,450	1,800,659
Individual deposits	13,293,487	14,112,866	13,701,278	1,669,219,961	1,728,083,971	1,770,480,563
U. S. deposits	74,842	55,548	77,146	11,980,940	12,128,991	12,922,506
Deposits of U. S. disbursing officers	......	......	......	3,349,014	3,499,856	3,468,352
Notes and bills rediscounted	......	......	......	4,721,144	5,419,397	5,450,428
Bills payable	28,500	21,000	15,000	11,098,938	10,832,409	9,625,115
Liabilities other than those above stated	......	......	......	2,378,127	2,645,163	3,594,185
Total	$19,383,048	$20,359,890	$19,903,331	$3,446,088,799	$3,492,411,995	$3,563,408,053
Average reserve held	41.78 p. c.	44.21 p. c.	37.77 p. c.	....	....	....
* Total lawful money reserve	$3,615,056	$3,565,860	$3,060,133	420,281,713	410,221,374	$413,518,621

MONEY, TRADE AND INVESTMENTS.

9/97

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, September 3, 1897.

"DOLLAR WHEAT" AND FORTY CENT SILVER were the important events in August. Wheat crossed the dollar line in New York on August 20, the September option selling at $1 on that date and touching $1.06¾ on August 23. Two days after, on August 25, silver fell to 23¾d per ounce in London, at which price the bullion in the silver dollar became worth about 40 cents. Silver and wheat have now parted company to such an extent that political economists of the Bryan school have apparently abandoned their effort to harness them together. The future of silver is anything but bright; there is no prospect of the India mint being reopened, while Salvador is the latest of a long list of silver-using countries to raise the gold standard.

Wheat, on the other hand, has at least a twelve months' future such as has not been brighter since 1879. The rapid rise in the price of wheat naturally led to a reaction and a big break came on August 23, but recoveries have followed and on September 1 wheat was selling 15¼ cents a bushel higher than it did a month ago and 40 cents higher than the price of a year ago. Corn also made a net advance of nearly 5 cents for the month and of 11¼ cents compared with last year's price.

The prices of all our cereals are likely to be favorably influenced by the shortage of the food crops abroad. Not only wheat but rye and potatoes are deficient in yield in Europe this year. The production of rye in the principal European countries is estimated to have fallen from an annual average during the past four years of 1,300,000,000 bushels to about 875,000,000 bushels this year. The European potato crop is estimated at 1,850,000,000 bushels, a decrease of 1,000,000,000 bushels. Europe of necessity must import largely of food products during the coming twelve months. Europe, including England, will need between 300,000,000 and 400,000,000 bushels of wheat with the United States and Canada almost the only countries to draw upon. We may count with confidence then upon large exports of grain and good prices, a combination which has not existed since 1891-2. In that year we exported 226,000,000 bushels of wheat and flour at an average export price of $1.026 per bushel, and of corn 75,500,000 bushels at an average of 55.1 cents per bushel. Whether the country will be able to spare as much wheat this year depends upon the accuracy of the Government estimate as to acreage and condition. With a yield of 550,000,000 bushels this year the total production for the past two years will be about 1,000,000,000 bushels, which is just about what estimates of usually conservative authorities make the yield of the two years 1890 and 1891.

As to the prices our cereals will command there is not much room for dispute. In the last three years the average annual export price of wheat has ranged from 57¼ to 75 cents per bushel, and of corn from 31 to 53 cents per bushel. Both wheat and corn will command higher prices for export than either of the quotations mentioned and the increase in the aggregate value of exports of these cereals will be very great. Our wheat and flour exports last year were 145,000,000 bushels and this aggregate will undoubtedly be exceeded during the current year. Our corn exports reached nearly 177,000,000 bushels, the largest ever recorded. Should the exports of this staple during the coming year equal last year's volume, and the price of 1891-2 be obtained, the increase in the value of corn exported over last year would be more than $40,000,000 alone, while an average export price of $1 for wheat would, on the basis of last year's exports, make an increase in aggregate value of nearly as much more.

Cotton is essentially an export crop and the price of that staple is always an important factor in the development of the country's wealth. The price of cotton has begun to advance, but there is still much uncertainty as to the yield this year. From 9,500,000 to 10,000,000 bales it is estimated will be raised this year. Last year the yield was about 8,000,000 bales, and in 1895, 7,000,000 bales, while in 1894 the total was 9,900,000 bales, the largest amount ever produced in a single year. It is possible, therefore, that the cotton production this year will reach a record breaking figure. Still good prices are expected, for the cotton supply, as is a well-known fact, is small, and stocks abroad greatly reduced. The total visible supply is now less than one-half of what it was at this time in 1895 and 20 per cent. less than it was a year ago.

The average export price of cotton for the year ended June 30, 1897, was less than 7½ cents per pound, in the previous year it was about 8 cents. In 1890 and 1891 the price averaged 10 cents per pound, but in 1895 it fell to nearly 5¾ cents. In the last fiscal year we exported 3,100,000,000 pounds of cotton at a total value of nearly $231,000,000, equal to 22 per cent. of the total value of all our exports of domestic merchandise. With last year's exports and 1891's price for cotton the increase in the value of cotton exports would exceed $70,000,000. It is not surprising therefore that investors are banking heavily on the prosperity that advancing prices will bring to the country, its trade and its industries.

At the New York Stock Exchange there has been witnessed in the past month one of the most extraordinary advances in values recorded since 1880. With scarcely an exception every railroad stock on the list touched the highest price recorded this year and a number the highest in several years. In the corresponding month last year the majority of stock recorded their lowest prices for the year 1896. The advances for a large number of stocks during the month range from 5 to more than 15 per cent. each, while from the low prices of earlier in the year the gains extend from 10 to 40 per cent. The following table shows some of the principal advances in prices in August, and from the low prices of the year generally recorded in April or May:

	Advance in August.	*Advance for the year.*
Central New Jersey	7⅞	29⅝
Chesapeake and Ohio	6⅝	20
Chicago, Burlington & Quincy	11¾	29⅞
Chicago, Milwaukee & St. Paul	9⅛	26¾
Chicago, Rock Island & Pacific	10⅛	31⅛
Chic., St. Paul, Minn. & Omaha	7⅝	26
Chic., Cinn., Clev. & St. P., pref.	9	21
Consolidated Gas	16¾	30
Delaware, Lack. and Western	6¼	17⅛
Illinois Central	8¾	29¾
Lake Shore	6⅛	26⅛
Louisville and Nashville	6⅞	22⅛
Manhattan	13⅝	26¼
Metropolitan Traction	12	25⅛
Missouri Pacific	14⅛	29¼
New York Central	7¾	16¾
Norfolk and Western, pref.	8⅛	22⅛
St. Louis & San Fran., 1st pref.	9¼	20¼
Union Pacific	10⅝	13⅝
Western Union	8⅝	17¼
American Sugar	18⅛	47⅞
American Tobacco	13⅝	28⅞
United States Leather, pref.	8⅝	21
United States Rubber, pref.	12¾	26⅞

So great an appreciation in values in so short a time has a more substantial foundation than mere speculation, making all due allowance for the disposition of Wall Street to discount the future whether it be for the good or bad. The evidence that railroad securities are becoming more valuable is already presented in the increased earnings of the railroads, the enormous grain movement, the increase in west-bound traffic of the great trunk lines, the car famine, and also in increased dividends, some already announced, others likely to be in a short time.

One thing has been unfavorable, the failure of Europe to step in and buy our securities. In fact there has been considerable selling of American securities for foreign account. But there must be a limit to that, and if history is worth anything our securities will yet be bought for transfer to Europe at prices higher than those at which they have been sold to us.

It is difficult to conceive the magnitude of the change that has taken place in the business situation since a year ago. Measuring August, 1897, by August, 1896, and it seems impossible that so great a revolution could have occurred. Twelve months ago deposits were being withdrawn from the banks of this city and of other cities. The business world was on the border line of a panic. Our banks were compelled to call in loans and the question of issuing clearing-house certificates was gravely considered. Call money at one time commanded 15 per cent., while time money could hardly be obtained at any price.

A more striking illustration of the change the twelve months have made could not be offered than that presented in the following comparative statement, which we make by reproducing a table published in the BANKERS' MAGAZINE a year ago, supplementing it with the figures for the corresponding period this year. It shows the changes in the deposits and loans of the New York banks for the six weeks ended August 29, 1896, and August 28, 1897:

WEEK ENDED	*Decrease.*		WEEK ENDED	*Increase.*	
	In deposits.	In loans.		In deposits.	In loans.
July 25, 1896	$12,632,900	$5,301,000	July 24, 1897	$9,258,500	$5,920,200
Aug. 1, "	8,344,200	4,704,000	" 31, "	519,800	2,921,600
" 8, "	7,849,500	1,498,300	Aug. 7, "	3,187,300	6,566,200
" 15, "	9,770,800	8,119,400	" 14, "	4,357,600	5,608,400
" 22, "	9,095,100	5,984,700	" 21, "	5,407,500	3,447,500
" 29, "	6,363,800	3,143,300	" 28, "	998,600	2,256,200
Total	$54,056,300	$23,750,700	Total	$23,728,800	$26,720,100

A year ago deposits were being withdrawn at the rate of $9,000,000 a week, while now they are increasing at the rate of about $4,000,000. Then loans were being contracted at the rate of nearly $4,000,000 a week now they are being expanded at the rate of nearly $4,500,000 a week Deposits now are $185,000,000 more than they were at this time last year and loans are $105,000,000 larger. The Boston banks have $43,000,000 more deposits than they had a year ago, and their loans have increased $21,000,000. The deposits of the Philadelphia banks have also increased about $26,000,000 and their loans $13,000,000. These changes are all significant of the improvement that is taking place in the business of the country.

In one particular there is a parallel between August, 1896, and 1897. In both years there was a tremendous drop in sterling exchange. Last year 60 day sterling fell from 4 87¾ @ 4.88 to 4.81¾ @ 4.82, and sight from 4.88¾ @ 4.89 to 4.83¾ @ 4.84. This year the fall was not so great but still of considerable extent, 60 day declining from 4.86¼ @ 4.86½ to 4.83½ @ 4.83¾, and sight from 4.87¼ @ 4.87½ to 4.85½ @ 4.85¾. Last year, however, about $25,000,000 of gold was started on its way to this country from Europe, in the latter part of August, while this year the gold import movement has not yet begun.

The question whether Europe will ship gold to America as the result of our large exports of food products and cotton has received considerable attention. It is possible that American securities will be sent instead of gold, but that is doubtful. While the Bank of England has $50,000,000 less gold than it held a year ago and $25,000,000 less than in 1895, it has $50,000,000 more than it held at this time in 1893. In the last-mentioned year its reserve to liabilities was only 48½ per cent., while now it is 51¼ per cent. But while the Bank of England may protect its gold reserves, gold may and is likely to come to the United States, London drawing for this purpose upon continental money centers.

The prospect of a continuance of the rise in our securities will limit the selling abroad, and a large part of the selling for foreign account that has already occurred has been due to lack of faith in the permanency of the upward movement in values rather than to the desire to keep gold on the other side.

The Bank of France now has nearly $70,000,000 more gold than it had four years ago, and the Bank of Austria-Hungary $140,000,000 more, and the Bank of Germany about $6,000,000 less than it held then. The Continent may be drawn upon to supply the gold which our trade balances during the next six months will call for and will most likely. At all events, after the large excess of exports which our foreign trade statistics show for several years past, it is a reasonable theory that our heavy export movement now will influence gold imports in considerable volume.

The condition of the railroads of the country may well be studied in view of the extraordinary appreciation in the prices of railroad securities in the past few months. Statistics for the year 1896 have just been published by "Poor's Manual," and they show conclusively that low rates have had as much to do with the decrease in profits of the railroads as poor business. In fact, the freight tonnage was the largest ever reported, amounting to nearly 94,000,000,000 ton miles, an increase of more than 5,000,000,000 ton miles over 1895, and 3,000,000,000 over 1893 when the highest previous record was made. The passenger movement aggregated 13,055,000,000 passenger miles, an increase over 1895 of 446,000,000 but smaller than in any previous year since 1890, and 2,190,000,000 less than in 1893.

The total earnings from all sources were $1,125,632,000, an increase over 1895 of $133,000,000 but the net earnings increased only about $9,000,000 and the net income was $624,000 less than in 1895. Compared with 1893 gross earnings fell off $83,000,000 and net earnings $36,000,000, although there were 180,891 miles of road operated in 1896 as compared with 178,870 miles in 1893, while the total capital stock was nearly $5,291,000,000 as compared with $5,080,000,000, and the total stock and debt nearly $11,969,000,000 as against $11,444,000,000 in 1893.

Railroad stocks as a whole have proven very unremunerative investments for some years past, and the secret of it may be discovered in the following statement showing the reduction in rates obtained:

YEARS.	Earnings per mile.				Dividends on stock.
	Passengers.	Freight.	Per passenger. cents.	Per ton. cents.	Per cent.
1882	$1,926	$4,824	2.514	1.236	2.91
1883	1,951	5,092	2.422	1.236	2.75
1884	1,801	4,382	2.356	1.124	2.48
1885	1,612	4,219	2.198	1.057	2.02
1886	1,696	4,397	2.181	1.042	2.04
1887	1,756	4,649	2.276	1.084	2.18
1888	1,729	4,397	2.246	0.977	1.77
1889	1,688	4,333	2.169	0.969	1.81
1890	1,732	4,681	2.174	0.927	1.80
1891	1,770	4,591	2.184	0.929	1.85
1892	1,721	4,787	2.143	0.967	1.93
1893	1,799	4,663	2.046	0.893	1.86
1894	1,563	3,975	2.025	0.864	1.64
1895	1,456	4,151	2.069	0.839	1.59
1896	1,467	4,259	2.082	0.821	1.54

While there are some evidences of improvement in 1896, it will be observed that passenger earnings per mile are nearly $500 less than they were in 1882 or 1883, while freight earnings per mile are $565 less than in 1882 and $733 less than in 1883, a decrease of more than 25 per cent. in one case and of between 10 and 15 per cent. in the other. The rate per passenger per mile has fallen nearly ½ cent, a difference of about $65,000,000 to the railroads on last year's passenger traffic. Freight rates have declined over .4 cent per ton per mile, a difference of about $380,000,000 on last year business. The decrease in earnings from reduced rates alone equals more than 8 per cent. on the entire capital stock of the railroads.

The railroads are now getting increased business, and it is understood that there has been an improvement in rates. A very small advance is sufficient on the present volume of business to make most of the railroads earn all their interest-charges and in many cases satisfactory dividends.

THE MONEY MARKET.—The increased activity in Stock Exchange transactions has so far had little effect upon the local money market although the banks have raised their minimum rate for money on call from 1 to 1½ per cent. Bankers' balances are still loaning on call at the Stock Exchange at 1¼ to 1½ per cent. Time contracts are quoted from ½ to 1 per cent. higher than they were a month ago. Commercial paper is coming upon the market in larger quantities and the rates have increased slightly. The movement of money to the West and South has not yet become important and those sections appear to be fairly well supplied. At the close of the month call money ruled at 1 to 1½ per cent., the average rate being about 1¼ per cent. Time money on Stock Exchange collateral was quoted at 2½ per cent. for 60 days, 3 per cent. for 90 days to four months, and 3½ per cent. for five to six months. For commercial paper the rates are 3¾ @ 4 per cent., for 60 to 90 days endorsed bills receivable, 4 @ 4½ per cent. for first-class four to six months single names, and 4¾ @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	April 1.	*May 1.*	*June 1.*	*July 1.*	*Aug. 1.*	*Sept. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1½–2	1¼– 1¾	1¼–1½	1 –2	1 –2	1 –1½
Call loans, banks and trust companies	1½–2	1¼– 2	1¼–1½	1 –2	1 –2	1½–
Brokers' loans on collateral, 30 to 60 days	2 –	2 –	2 –	2 –	1½–	2½–
Brokers' loans on collateral, 90 days to 4 months	2½–3	2½–	2½–	2 –2½	2 –2½	3 –
Brokers' loans on collateral, 5 to 7 months	3½–	3 –	3 –	2½–3	3 –	3½–
Commercial paper, endorsed bills receivable, 60 to 90 days	3½–	3½–	3½–	3 –3¼	3½–	3¾–4
Commercial paper prime single names, 4 to 6 months	3¾–4	3¾– 4½	3¾–4½	3¼–4	3¾–4	4 –4½
Commercial paper, good single names, 4 to 6 months	4 –5	4½– 5½	4½–5	4 –4½	4½–5	4¾–5

EUROPEAN BANKS —The Bank of England lost gold during the early part of the month but later increased its holdings, but lost net for the month about $2,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		*Aug. 1, 1897.*		*September 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£34,158,899	....	£36,618,462	....	£36,224,839	....
France	76,584,590	£49,130,797	80,777,224	£49,302,588	81,405,712	£49,001,244
Germany	28,505,450	14,252,750	29,352,000	15,120,000	29,878,000	15,131,000
Austro-Hungary	30,340,000	12,578,000	37,010,000	12,660,000	37,955,000	12,581,000
Spain	8,528,000	10,210,000	8,983,000	10,720,000	9,028,000	10,890,000
Netherlands	2,634,000	6,841,000	2,632,000	6,943,000	2,632,000	6,900,000
Nat. Belgium	2,736,667	1,368,833	2,780,000	1,390,000	2,830,667	1,415,333
Totals	£183,487,606	£94,380,880	£198,152,686	£96,135,583	£199,449,218	£95,918,577

The Bank of France gained about $3,000,000 and the Bank of Austro-Hungary nearly $5,000,000. The Bank of England has $50,000,000 less gold than it held a year ago, the Bank of France $6,000,000 less, the Bank of Germany $7,000,000 less and the Bank of Austro-Hungary $47,000,000 more.

FOREIGN EXCHANGE.—There was a very heavy fall in sterling exchange during the month, rates for 60 day falling 2¾ cents and for sight 1¾ cents. A large quantity of bankers' 60 and 90 day sterling was sold in anticipation of covering with cotton and grain bills. The higher rates for money in London late in the month checked the decline in foreign exchange.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60 days.*
	60 days.	*Sight.*			
July 31...........	4.86¼ @ 4.86½	4.87¼ @ 4.87½	4.87½ @ 4.87¾	4.85¾ @ 4.86	4.85¼ @ 4.85½
Aug. 7...........	4.85 @ 4.85¼	4.86¼ @ 4.86½	4.86½ @ 4.86¾	4.84½ @ 4.84¾	4.84 @ 4.84¼
" 14...........	4.83½ @ 4.83¾	4.85½ @ 4.85¾	4.85¾ @ 4.86	4.83 @ 4.83¼	4.82½ @ 4.82¾
" 21...........	4.83¾ @ 4.84	4.85¾ @ 4.86	4.86 @ 4.86¼	4.83¼ @ 4.83½	4.82¾ @ 4.83
" 28...........	4.83½ @ 4.83¾	4.85½ @ 4.85¾	4.85¾ @ 4.86	4.83 @ 4.83¼	4.82½ @ 4.82¾

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	May 1.	*June 1.*	*July 1.*	*Aug. 1.*	*Sept. 1.*
Sterling Bankers—60 days	4.86¼— ½	4.86 — ¼	4.85¾— 6	4.86¼— ½	4.83½— ¾
" " Sight	4.87½— ¾	4.87 — ¼	4.87 — ¾	4.87¼— ½	4.85½— ¾
" " Cables	4.87¾— 8	4.87¼— ½	4.87¼— ½	4.87½— ¾	4.85¾— 6
" Commercial long	4.85¾— 6	4.85 — ¼	4.85¼— ½	4.85¾— 6	4.83 — ¼
" Docu'tary for paym't.	4.85¼— ½	4.84¾— 5¼	4.84¾— 5	4.85¼— ½	4.82½— ¾
Paris—Cable transfers	5.14⅜—	5.15 — 4⅜	5.15 — 4⅜	5.15¼— 4⅜	5.18⅛— 7½
" Bankers' 60 days.........	5.16⅞— ¼	5.16⅞—	5.16⅞—	5.16⅞—	5.20 1/16—20
" Bankers' sight..........	5.15 1/16— 4⅜	5.15 1/16— 5	5.15 1/16— 5	5.15 —	5.18⅛—
Antwerp—Commercial 60 days.	5.19⅜— 8¾	5.19⅜— 8⅜	5.19⅜— 8¾	5.18¾—⅛	5.22½— 1⅞
Swiss—Bankers' sight..........	95⅜— ¾	5.17½— 6⅞	5.17½—	5.16¼—	5.18¾— ⅛
Berlin—Bankers' 60 days........	5.18¾— ¾	95 3/16— ¼	95¼— 5/16	95 5/16— ⅜	94 13/16— ⅞
" Bankers' sight..........	95⅝— ¾	95 9/16— ⅝	95 11/16— ¾	95¾—	95¼— 5/16
Brussels—Bankers' sight........	5.15⅝— 1/16	5.15⅝—	5.15⅝—	5.15⅝— 1/16	5.18¾— ½
Amsterdam—Bankers' sight....	40⅜— 7/16	40 5/16— ⅜	40 5/16— ⅜	40⅜— 7/16	40⅛— 3/16
Kronors—Bankers' sight	27 — 1/16	26 15/16— 27	27 — 1/16	27 — 1/16	26⅞— 15/16
Italian lire—sight..............	5.42¾ —40¾	5.40½—37½	5.38½— 5½	5.40¼—37¼	5.44⅜— 2⅜

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	May 12, 1897.	*June 16, 1897.*	*July 14, 1897.*	*Aug. 11, 1897.*
Circulation (exc. b'k post bills)..........	£27,409,295	£27,287,840	£28,046,805	£28,008,420
Public deposits...........................	10,188,734	11,260,076	7,138,815	7,004,421
Other deposits............................	39,446,125	38,986,166	43,795,065	40,514,160
Government securities....................	13,842,586	13,948,356	13,786,887	13,783,480
Other securities..........................	28,052,106	28,230,650	29,714,229	27,408,906
Reserve of notes and coin................	25,611,289	25,888,011	25,484,820	24,411,110
Coin and bullion..........................	36,220,584	36,320,851	36,731,125	35,619,530
Reserve to liabilities.....................	51⅝%	51 3/16%	49⅞%	51¼%
Bank rate of discount..................	2%	2%	2%	2%
Market rate, 3 months' bills.............	⅞ @ 15/16%	15/16%	1 1/16%	1⅛%
Price of Consols (2¾ per cents.)..........	113⅜	112 13/16	112 13/16	112½
Price of silver per ounce..................	27¾d.	27 3/16d.	27 3/16d.	25⅛d.
Average price of wheat..................	28s. 4d.	27s. 4d.	27s. 4d.	29s. 5d.

MONEY RATES ABROAD.—The Bank of England rate of discount remains unchanged at 2 per cent., although at one time early in the month an advance was expected. No change has been made in the rates of the other leading European banks. Discounts of 60 and 90 day bills in London at the close of the month were 1⅞ @ 2 per cent., an advance of 1 1-16 for the month. The open market rate at Paris was slightly lower at 1¾ @ 1⅞ per cent.; at Berlin and Frankfort, 2⅝ @ 2¾ per cent., an advance of ¼ per cent.

MONEY RATES IN FOREIGN MARKETS.

	Mar. 19.	*Apr. 16.*	*May. 14.*	*June 18.*	*July 16.*	*Aug. 18.*
London—Bank rate of discount.....	3	2 1/2	2	2	2	2
Market rates of discount:						
60 days bankers' drafts......	1 3/8 — 1/2	1 1/4	7/8	7/8	7/8	1 1/2
6 months bankers' drafts....	1 1/2	1 1/4 — 5/16	1 1/8 — 1/4	1 3/16 — 1/4	1 1/4	2 1/4
Loans—Day to day...........	1 1/2	3/4	1/2	1/2	1/2	1/2
Paris, open market rates............	1 3/4	1 3/4	1 3/4	1 3/4	1 3/4	1 3/4
Berlin, "	3 1/8	2 3/8	2 1/4	2 3/4	2 3/8	2 3/4
Hamburg, "	3 1/8	2 1/2	2 1/4	2 3/4	2 3/8	2 7/8
Frankfort, "	3 5/8	2 1/2	2 3/8	2 7/8	2 1/2	2 5/8
Amsterdam, "	2	2 1/2	2 1/2	1 7/8	2 3/8	2 1/4
Vienna, "	3 5/8	3 3/4	3 1/2	3 1/2	3 1/4	3 7/16
St. Petersburg, "	5 1/4	5 3/4	5 3/4	5 3/4	5 3/4	4 1/2
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4	4	4 1/2	4 1/2	5	4

SILVER.—Silver fell still lower last month and touched a point 3 1/4d. per ounce lower than was ever reached prior to the beginning of the present decline. There was very little recovery from the decline and after falling from 26 5/8 to 23 3/4d., the latter price recorded on August 25, the closing price for the month was 24d. a net decline for the month of 2 5/8d.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	1895.		1896.		1897.		MONTH.	1895.		1896.		1897.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 1/16	27 3/16	30 1/2	30 7/8	29 13/16	29 11/16	July......	30 5/8	30 1/4	31 5/8	31 3/8	27 11/16	26 3/4
February	27 11/16	27 1/4	31 3/16	30 3/4	29 3/4	29 11/16	August ..	30 3/16	30 1/4	31 3/8	30 5/8	26 1/2	23 3/4
March....	30 1/4	27 5/8	31 11/16	31 1/8	29 3/8	28 3/16	Septemb'r	30 3/16	30 1/16	30 11/16	30		
April.....	30 7/8	29 7/8	31 3/16	30 11/16	28 1/2	28 3/16	October..	31 3/8	30 5/8	30 3/16	29 3/4		
May......	30 7/8	30 3/16	31 3/16	30 13/16	28 3/16	27 5/8	Novemb'r	31	30 5/8	30 3/16	29 3/4		
June.....	30 11/16	30 1/8	31 9/16	31 9/16	27 3/4	27 1/2	Decemb'r	30 11/16	30	30	29 13/16		

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars...................	$ .60	......	Twenty marks..................	$4.75	$4.79
Mexican dollars................	.41 1/4	$ .43	Spanish doubloons.............	15.50	15.70
Peruvian soles, Chilian pesos..	.36 1/2	.38 1/2	Spanish 25 pesos................	4.78	4.83
English silver....................	4.83	4.86	Mexican doubloons............	15.50	15.70
Victoria sovereigns............	4.87	4.89	Mexican 20 pesos...............	19.50	19.60
Five francs.......................	.93	.96	Ten guilders.....................	3.95	3.99
Twenty francs..................	3.85	3.88			

Fine gold bars on the first of this month were at par to 1/4 per cent. premium on the Mint value. Bar silver in London, 24d. per ounce. New York market for large commercial silver bars, 51 7/8 @ 52 5/8c. Fine silver (Government assay), 52 @ 53 1/4c.

COINAGE OF THE UNITED STATES.

	1896.		1897.	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January..	$12,914,600	$65,000	$7,803,420	$1,964,800
February...	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,683,531	13,770,900	1,617,654
April...	1,500,000	1,831,000	8,800,400	1,535,000
May...	2,857,200	1,826,490	4,489,950	1,600,000
June..	2,471,217	1,950,693	2,100,547	1,856,754
July...	2,918,200	1,092,000	377,000	260,000
August..	3,315,000	2,686,000	8,756,250	701,436
September...	3,140,923	2,754,185		
October...	5,727,500	2,844,010		
November...	5,064,700	2,305,022		
December..	4,363,165	2,551,968		
Year...	$47,052,561	$23,089,899	$56,250,467	$11,055,438

Gold and Silver Coinage.—The coinage of gold was resumed last month, but no silver dollars were minted. The gold coinage aggregated $8,756,250, silver $701,436, and minor $98,010, a total of $9,555,696.

New York City Banks.—In four weeks the deposits of the New York Clearing-House banks have increased nearly $14,000,000 or about $32,000,000 in the past two months. Loans were increased nearly $18,000,000, making the total expansion since the last of June about $28,000,000. Never before were either deposits or loans as large as they are at the present time. Some currency has gone out of the banks but a much smaller amount than is usual at this season of the year. The total reserves are only $2,700,000 less than they were a month ago, but the surplus reserve has been reduced $6,200,000.

New York City Banks—Condition at Close of each Week.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
July 31...	$542,996,200	$91,497,400	$109,964,000	$623,045,000	$45,720,150	$13,431,100	$623,533,100
Aug. 7...	549,562,400	92,129,800	105,430,400	626,232,300	41,002,125	13,384,700	716,951,900
" 14...	555,170,800	92,612,300	103,917,900	630,589,900	38,882,725	13,185,500	739,245,500
" 21...	558,618,300	93,205,600	105,547,200	635,997,400	39,753,450	13,252,200	650,687,900
" 28...	560,874,500	92,628,100	106,138,600	636,996,000	39,517,700	13,418,400	632,298,200

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	*1895.*		*1896.*		*1897.*	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,969,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April..........	504,240,200	13,413,450	481,795,700	17,005,975	569,226,500	47,666,575
May...........	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July	570,436,300	34,225,925	499,046,900	20,828,275	604,963,700	41,384,875
August.........	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September....	574,929,900	39,149,925	451,934,800	8,836,200	636,996,000	39,517,700
October.......	549,136,500	22,296,175	454,733,100	16,526,025		
November	529,862,400	17,594,400	446,445,900	17,463,225		
December.....	520,788,000	18,618,300	490,634,300	31,411,625		

Deposits reached the highest amount, $636,996,000 on August 28, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

Boston and Philadelphia Banks.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following table:

Boston Banks.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
July 31........	$181,883,000	$178,895,000	$10,580,000	$9,808,000	$7,929,000	$75,733,100
Aug. 7........	182,991,000	180,658,000	10,571,000	9,436,000	7,953,000	102,715,400
" 14........	183,122,000	177,585,000	10,623,000	9,040,000	7,862,000	90,455,900
" 21........	181,847,000	176,471,000	10,797,000	8,454,000	7,858,000	90,506,700
" 28........	181,731,000	174,131,000	10,790,000	8,361,000	7,820,000	59,767,700

Philadelphia Banks.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
July 31....................	$112,426,000	$117,981,000	$36,014,000	$6,865,000	$50,654,500
Aug. 7....................	112,484,000	117,093,000	35,393,000	6,845,000	59,376,700
" 14....................	113,171,000	120,406,000	37,385,000	6,890,000	61,029,700
" 21....................	114,276,000	120,844,000	37,639,000	6,839,000	59,448,900
" 28....................	115,072,000	121,025,000	36,926,000	6,881,000	56,095,200

GOVERNMENT REVENUES AND DISBURSEMENTS.—The Treasury statement shows a deficit in revenues for the month of August the largest on record since the monthly statements have been published. The revenues were only $18,943,206, while the expenditures were $33,295,000, a deficit of $14,351,794 resulting, making a total of $25,425,338 since July 1. The revenues were less than one-half those of the previous month, the July receipts aggregating more than $39,000,000. The receipts from customs were less than $7,000,000 while in July they were nearly $17,000,000, but internal revenue receipts also fell off more than $8,500,000 and miscellaneous receipts $1,500,000 more. But for the decrease in expenditures, more than $16,000,000 as compared with July, the deficit would have been large enough to excite apprehension as to the reserves in the U. S. Treasury. The Government is now suffering from the large imports of merchandise which were entered in anticipation of tariff legislation. When imports regain their normal condition the revenues will be larger, whether or not sufficient to prevent a deficit.

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS. Source.	August, 1897.	Since July 1, 1897.	EXPENDITURES. Source.	August, 1897.	Since July 1, 1897.
Customs	$6,987,703	$23,954,504	Civil and mis	$7,712,000	$21,689,446
Internal revenue	11,193,195	30,961,027	War	5,681,000	16,357,759
Miscellaneous	762,308	3,055,039	Navy	2,671,000	5,669,809
			Indians	975,000	1,744,239
			Pensions	13,391,000	28,349,378
Total	$18,943,206	$57,970,570	Interest	2,925,000	9,585,277
Excess of expenditures	$14,351,794	$25,425,338	Total	$33,295,000	$83,395,908

UNITED STATES TREASURY CASH RESOURCES.

	May 29.	June 30.	July 30.	Aug. 31.
Net gold	$144,261,249	$140,754,114	$143,926,401	$144,206,276
Net silver	24,728,126	31,102,856	33,538,187	23,759,676
U. S. notes	32,409,910	35,761,622	29,175,995	28,169,836
Miscellaneous assets (less current liabilities)	13,293,263	12,508,172	14,879,408	8,158,150
Deposits in National banks	17,300,952	17,330,935	16,991,618	17,116,471
Available cash balance	$231,993,500	$237,452,199	$238,511,604	$221,410,411

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,563
June	27,794,219	25,444,789	101,699,605	36,584,708	22,934,694	140,790,738
July	29,029,209	42,088,468	110,718,746	39,027,364	50,100,909	140,817,699
August	25,562,097	35,701,676	100,957,561	18,943,206	33,295,000	*144,206,276
September	24,584,244	26,579,535	124,034,672			
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

NATIONAL BANK CIRCULATION.—The total circulation of the National banks is now less than $1,000,000 in excess of the amount outstanding a year ago and the amount is steadily being reduced. There was a net decrease last month of $250,000, while $640,000 of Government bonds deposited to secure circulation were withdrawn. There was an increase of nearly $500,000 in lawful money deposited to retire circulation.

NATIONAL BANK CIRCULATION.

	May 31, 1897.	*June 30, 1897.*	*July 31, 1897.*	*Aug. 31, 1897.*
Total amount outstanding	$231,790,151	$231,356,126	$230,758,936	$230,508,524
Circulation based on U. S. bonds	207,139,381	206,695,226	206,498,956	205,755,976
Circulation secured by lawful money	24,650 770	24,665,788	24,259,980	24,752,548
U. S. bonds to secure circulation:				
Four per cents. of 1895	33,495,050	32,888,550	32,781,050	22,245,650
Pacific RR. bonds, 6 per cent	8,678,000	8,837,000	8,787,000	8,955,000
Funded loan of 1891, 2 per cent	22,347,900	22,168,900	22,271,150	15,846,650
" " 1907, 4 per cent	150,918,250	150,908,750	150,543,750	150,490,650
Five per cents. of 1894	15,481,350	15,728,350	15,728,350	31,933,150
Total	$230,915,550	$230,471,550	$230,111,300	$229,471,100

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,680,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,285,500; 4 per cents of 1907, $12,120,000; 5 per cents. of 1894, $635,000, a total of $17,095,500.

The circulation of National gold banks, not included in the above statement, is $85,150.

MONEY IN THE UNITED STATES.—The total money in the United States Treasury is only about $2,400,000 less than it held a year ago but there was an increase of $12,200,000 in Treasury notes and certificates issued causing a reduction in the net amount held of $14,600,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*July 1, 1897.*	*Aug. 1, 1897.*	*Sept. 1, 1897.*
Gold coin	$120,638,598	$152,529,575	$149,114,826	$150,008,810
Gold bullion	54,565,385	25,547,082	28,929,752	31,230,355
Silver Dollars	384,584,572	399,992,540	400,338,020	398,908,078
Silver bullion	110,815,247	104,591,039	105,109,480	105,125,123
Subsidiary silver	14,215,766	16,210,344	16,286,680	15,335,285
United States notes	85,313,258	98,097,438	94,291,064	92,248,702
National bank notes	14,278,970	5,030,919	5,688,791	4,517,847
Total	$784,411,796	$801,998,937	$799,758,573	$797,369,200
Certificates and Treasury notes, 1890, outstanding	529,044,460	540,657,484	539,064,416	551,301,438
Net cash in Treasury	$255,367,336	$261,341,453	$260,694,157	$246,067,762

MONEY IN CIRCULATION.—There was an increase of $19,600,000 in the volume of money in circulation last month, the principal increase being nearly $10,000,000 in silver certificates. There was an increase of about $2,800,000 in gold coin. of $1,400 000 in silver dollars, of about $1,600,000 in Treasury notes of 1890, of $3.000,000 in legal-tender notes and currency certificates, and of $900,000 in National bank notes. There was a decrease of about $200,000 in gold certificates and the same in subsidiary silver.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897	*July 1, 1897.*	*Aug. 1, 1897.*	*Sept. 1, 1897.*
Gold coin	$517,743.229	$519,146,675	$519,074,302	$521,848,563
Silver dollars	58,581,819	52,001,202	51,655,722	53,085,664
Subsidiary silver	62,101,986	59,228,540	59,131,282	58,936,292
Gold certificates	37,887,439	37,285,919	37,226,879	37,017,789
Silver certificates	356,655,800	358,336,368	357,938,650	367,863,337
Treasury notes, Act July 14, 1890	84,171,221	83,905,197	81,563,887	83,145,312
United States notes	261,367,758	248,583,578	252,389,952	254,432,814
Currency certificates, Act June 8, 1872	50,330,000	61,130,000	62,335,000	63,275,000
National bank notes	221,384,148	226,410,767	225,155,465	226,075,827
Total	$1,650,223.400	$1,646,028,246	$1,646,471,139	1,665,680,098
Population of United States	72,159,000	72,937,000	73,068,000	73,199,000
Circulation per capita	$22.87	$22.57	$22.53	$22.76

THE SUPPLY OF MONEY IN THE COUNTRY—The total stock of money in the country increased last month $4,500,000, but there was an increase of $6,000,000 in gold while there was a decrease in subsidiary silver and National bank notes.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	July 1, 1897.	Aug. 1, 1897.	Sept. 1, 1897.
Gold coin	$638,881,827	$671,676,250	$668,189,128	$671,852,373
Gold bullion	54,565,385	25,547,062	28,929,752	31,230,855
Silver dollars	443,166,391	451,993,742	451,993,742	451,993,742
Silver bullion	110,815,247	104,591,069	105,109,460	105,125,123
Subsidiary silver	76,317,752	75,438,884	75,417,942	74,271,577
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	231,441,686	230,844,256	230,593,674
Total	$1,905,590,786	$1,907,369,699	$1,907,165,296	$1,911,747,860

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

UNITED STATES PUBLIC DEBT.—The net public debt less cash in the Treasury again exceeds $1,000,000,000, having increased nearly $15,000,000 in August and more than $21,000,000 since July 1. The deficit in revenues is responsible for the increasing debt which is reflected in reduced assets in the Treasury and not in an increase in the gross debt. The cash balance is now $218,561,206 as against more than $240,000,000 on July 1. Of this balance $144,000,000 is in gold.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	July 1, 1897.	Aug 1, 1897.	Sept. 1, 1897.
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,640,100	559,640,650	559,641,200
Refunding certificates, 4 per cent	45,890	45,130	44,770	44,440
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,130	$847,365,320	$847,365,540
Debt on which interest has ceased	1,383,070	1,346,880	1,336,340	1,336,230
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	18,876,333	24,458,637	24,138,377	24,571,442
Fractional currency	6,890,504	6,887,702	6,887,702	6,887,702
Total non-interest bearing debt	$372,502,201	$378,081,702	$377,761,442	$378,194,507
Total interest and non-interest debt.	1,221,249,961	1,226,793,712	1,226,463,102	1,226,896,827
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,782,169	38,700,169	38,527,169
Silver "	370,883,504	375,479,504	372,404,504	379,112,504
Certificates of deposit	50,830,000	61,750,000	63,495,000	63,650,000
Treasury notes of 1890	119,816,280	114,867,280	113,914,280	112,672,280
Total certificates and notes	$580,809,573	$590,878,953	$588,513,953	$593,691,953
Aggregate debt	1,802,059,534	1,817,672,665	1,814,977,055	1,820,858,280
Cash in the Treasury:				
Total cash assets	853,463,551	871,389,358	867,961,932	858,145,367
Demand liabilities	625,143,172	631,251,732	634,945,476	639,584,161
Balance	$228,320,379	$240,137,626	$233,016,456	$218,561,206
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	140,137,626	133,016,456	118,561,206
Total	$228,320,379	$240,137,626	$233,016,456	$218,561,206
Total debt, less cash in the Treasury.	992,929,582	986,656,086	993,446,646	1,008,335,121

FOREIGN TRADE MOVEMENTS.—The most noticeable feature of the foreign trade statistics for July is the decrease in imports of merchandise of $31,000,000 as compared with the previous month. Except for July last year the imports this year are the smallest in a number of years, and August returns will show a still smaller volume. This is the legitimate aftermath of the previous large movement in anticipation of tariff legislation. The exports of merchandise were larger in July than for any corresponding month in many years. With exports of $71,000,000 and imports of only $53,000,000 the net balance for the month is nearly $18 000,000, the net exports of gold (including ore) were $4,500,000 and of silver $1,000,000, making a total net balance of exports of more than $23 000,000 as compared with $29,000,000 in July, 1896.

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of August, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		August, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	16⅛—Aug. 30	9⅛—Apr. 19	16⅛	13⅞	15⅞
″ preferred............	28⅛	14⅛	34¼—Aug. 31	17 —Apr. 19	34¼	28⅛	34
Atlantic & Pacific............	1	⅝	1½—Aug. 12	⅛—Apr. 7	1½	¼	⅝
Baltimore & Ohio............	44	10⅛	18 —Jan. 8	9 —July 10	17¼	10⅛	16¾
Bay State Gas............	33	7	16¾—Aug. 31	7¾—Apr. 17	16¾	13⅝	15⅝
Brooklyn Rapid Transit......	25⅛	18	35½—July 23	18⅝—Jan. 7	35	31	32¼
Canadian Pacific............	62¾	52	74 —Aug. 3	46½—Mar. 29	74	70⅝	72¾
Canada Southern............	51¾	40¾	57 —Aug. 9	44⅛—Jan. 13	57	53¼	55¾
Central of New Jersey........	110	87½	103¼—Jan. 19	68¼—May 24	98⅛	90¼	96¼
Central Pacific............	16⅛	13⅛	15 —Jan. 5	7⅛—Apr. 20	14¼	10⅝	14
Ches. & Ohio vtg. ctfs........	18⅛	11	27⅛—Aug. 30	15⅝—Mar. 29	27⅛	20¾	26¾
Chicago & Alton............	164	146	170 —Mar. 1	147 —July 22	160	158	160
Chicago, Burl. & Quincy......	83¾	53	99¼—Aug. 16	69⅝—Jan. 5	99¼	87½	97¾
Chicago & E. Illinois..........	43	37½	50¼—Aug. 19	37¼—June 7	50¼	45	49½
″ preferred............	100½	90	101 —June 26	95 —Feb. 8	100¾	99	100¾
Chicago Gas............	78¾	44⅝	103¾—Aug. 4	73¼—Jan. 5	103¾	99⅝	103
Chic., Milwaukee & St. Paul..	80	59⅞	96 —Aug. 30	69¼—Apr. 19	96	86⅞	95
″ preferred............	131	117½	144 —Aug. 30	130½—May 6	144	142	144
Chicago & Northwestern......	106¾	85½	121½—Aug. 30	101¾—Apr. 19	121½	117⅝	121
″ preferred............	152	140¾	165 —July 13	153 —Jan. 12	165	161	162⅞
Chicago, Rock I. & Pacific....	74⅞	49¼	91⅜—Aug. 31	60¼—Apr. 19	91⅜	81¼	90⅞
Chic., St. Paul, Minn. & Om...	49¾	30½	73 —Aug. 30	47 —Jan. 2	73	65⅜	72¼
″ preferred............	133	117	148 —July 28	133 —Jan. 7	144½	143	144
Clev., Cin., Chic. & St. Louis..	39½	19½	37 —Aug. 31	21½—June 1	37	29	36⅞
″ preferred............	90½	73	84 —Aug. 27	63 —June 16	84	75	84
Col. Coal & Iron Devel. Co....	4⅛	¼	2 —Aug. 13	⅜—July 2	2	⅝	2
Col. Fuel & Iron Co............	34¼	14¾	27 —Jan. 19	15¾—May 11	25	17½	23
Col. Hocking Val. & Tol......	20½	12½	18 —Jan. 8	1½—Apr. 30	6¼	3⅜	5½
″ preferred............	60	48	46 —Jan. 21	14 —Aug. 3	20	14	20
Consolidated Gas Co............	168	133	196½—Aug. 4	186½—Jan. 2	196½	179¾	190¾
Delaware & Hud. Canal Co....	129⅝	114½	121¾—Jan. 6	99⅝—Apr. 1	121½	117½	120
Delaware, Lack. & Western..	166	138	164 —Aug. 12	146½—May 20	164	157¾	161
Denver & Rio Grande.........	14	10	14¾—Aug. 14	9¼—Apr. 20	14¾	12½	13½
″ preferred............	51	37	50½—Aug. 16	36 —Apr. 20	50½	46½	47¾
Edison Elec. Illum. Co., N. Y.	101½	89	125¼—Aug. 9	101¾—Jan. 2	125¼	122	123½
Erie............	17¾	10¼	18¾—Aug. 11	11½—Apr. 19	18¾	16	17½
″ 1st pref............	41¾	27	43⅛—Aug. 12	27 —Apr. 19	43⅛	37½	41½
″ 2d pref............	25	13	25⅝—Aug. 12	15½—May 24	25⅝	20⅝	23⅝
Evansville & Terre Haute....	34½	24	31 —Aug. 16	20 —June 8	31	20	28
Express Adams............	154	135	156 —Aug. 11	147¼—Feb. 11	156	153¾	155½
″ American............	116	105	116 —July 27	109½—Jan. 28	116	115	115½
″ United States........	48	35	48 —July 23	37 —Feb. 3	48	45⅛	46⅞
″ Wells, Fargo.........	101	80	112 —Aug. 13	97 —Jan. 2	112	108	109¼
Great Northern, preferred....	122	108¼	132 —Aug. 16	120 —Jan. 16	132	122½	131
Illinois Central............	98	84⅛	110¾—Aug. 7	91½—Apr. 19	110¾	102	106
Iowa Central............	10¼	5⅛	12¾—Aug. 31	6 —Apr. 15	12¾	8¼	12¼
″ preferred............	38	19	39¾—Aug. 31	28 —June 8	39¾	31	39½
Laclede Gas............	30	17	49¾—Aug. 31	22 —May 4	49¾	29½	49¼
″ preferred............	86¼	68¼	96 —Aug. 31	70¼—Mar. 23	96	82½	96
Lake Erie & Western..........	22½	12½	23 —Aug. 31	13 —July 15	22	17	21½
″ preferred............	75	55½	75⅛—Aug. 31	58¼—Apr. 1	75⅛	69½	75
Lake Shore............	156	134¾	178½—Aug. 17	152 —Jan. 2	178½	172	178
Long Island............	84	40½	55 —Jan. 8	40 —June 10	48	43	44⅞
Louisville & Nashville.........	55⅝	37⅞	62¼—Aug. 31	40⅛—Apr. 19	62¼	55⅝	61⅞
Louis., N. A. & Chic., Tr. ctfs..	10½	¼	½—June 23	¼—Jan. 11	....	....	....
″ preferred............	24¾	1	....	....	....	....	....
Manhattan consol............	113½	73¼	108 —Aug. 7	81¾—May 7	108	94⅝	106½
Metropolitan Traction........	114	79¼	124¾—Aug. 19	99⅝—May 3	124¾	112¾	123
Michigan Central............	97⅞	89	108 —Aug. 23	90 —Jan. 28	108	102½	107½
Minneapolis & St. Louis.......	21¾	12	26½—Aug. 12	16 —May 14	26½	24	25½
″ 1st pref............	83	54	89⅜—Aug. 11	77¾—Mar. 18	89⅜	86	89
″ 2d pref............	53½	30	59 —Aug. 26	46 —Feb. 26	59	55	57½
Missouri, Kan. & Tex..........	14¾	9⅛	16⅝—Aug. 13	10 —Apr. 19	16⅝	14¼	15⅝
″ preferred......	31⅛	16	37 —Aug. 13	24¾—Apr. 19	37	34⅛	36¼

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		August, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	39¼—Aug. 31	10 —May 6	39¼	24⅜	39⅛
Mobile & Ohio	25	14	32 —Aug. 19	18 —June 3	32	23¾	30
N. Y. Cent. & Hudson River	99¾	88	109¼—Aug. 28	92½—Feb. 18	109¼	101⅛	106¾
N. Y. Chicago & St. Louis	15	9	16¼—Aug. 31	11 —Feb. 11	16¼	13⅞	15⅞
" 1st preferred	80	67½	76½—Aug. 16	67⅝—Apr. 15	76½	74½	74½
" 2d preferred	35⅝	20	41 —Aug. 27	24 —Feb. 10	41	34	40½
N. Y., New Haven & Hartf'd	186	160	179½—Aug. 9	160 —Feb. 2	179½	176	178
N. Y., Ontario & Western	16⅝	11⅛	18⅛—Aug. 28	12¾—Apr. 19	18⅛	16⅝	18
N. Y., Sus. & Western	12	6	18 —Aug. 30	6½—May 28	18	15¼	18
" preferred	31½	12	39⅞—Aug. 9	18¼—May 20	39⅞	35¼	39¼
Norfolk & Western	12¾	⅛	14½—Aug. 30	9 —Apr. 19	14½	12	14½
" preferred	19¾	4½	39½—Aug. 31	17 —Feb. 16	39½	31	39½
North American Co.	6½	3½	6½—Aug. 13	3⅝—Apr. 20	6½	5¼	5⅞
Northern Pacific tr. receipts	16⅞	¼	18⅞—Aug. 23	11 —Apr. 19	18⅞	15¼	17⅞
" pref tr. receipts	36	10	51⅝—Aug. 12	32½—Jan. 5	51⅝	45¾	50⅝
Oregon Railway & Nav.	24	10	31¾—Aug. 31	10 —Apr. 20	31¾	24½	31¾
" preferred	40¼	35	69¼—Aug. 31	37⅞—Jan. 8	69¼	63	69¼
Oregon Short Line	18⅛	3⅛	23¾—Aug. 16	10⅞—Mar. 30	23¾	19	22¾
Pacific Mail	31	15¼	36¼—Aug. 31	24 —Jan. 9	36¼	30¾	35⅞
Peoria, Dec. & Evansville	3⅞	1¼	3⅞—Aug. 17	¼—June 2	3⅞	1½	2¼
Pitts., Cin. Chic. & St. Louis	18¼	11	22¼—Aug. 12	11½—Mar. 29	22¼	15½	22
" preferred	50	40⅛	60½—Aug. 12	44½—June 25	60½	53⅞	60½
Pullman Palace Car Co.	164	138	176 —Aug. 11	152 —Jan. 2	176	169	176
Reading Voting Tr. ctfs	....	....	27⅝—Aug. 12	16¼—Apr. 19	27⅝	23¾	27⅛
" 1st prefered	....	....	56 —Aug. 12	38½—Apr. 19	56	51	55⅞
" 2d preferred	....	....	34 —Aug. 12	22½—Apr. 19	34	29¾	33⅝
Rome, Wat. Ogdens' g	118	108	120 —July 16	117 —Jan. 26	120	120	120
St. Louis & San Francisco	5⅝	4	9 —Aug. 12	4 —Apr. 19	9	5⅝	7⅞
" 1st preferred	37	34¼	57¼—Aug. 12	37 —Jan. 29	57¼	48	55⅝
" 2d preferred	14⅛	12	22¾—Aug. 12	12 —Apr. 15	22¾	17⅜	21½
St. Louis & Southwestern	5¾	2⅞	7 —Aug. 16	1 —Apr. 1	7	4¼	6⅞
" preferred	13	6½	14¼—Aug. 24	3½—Apr. 1	14¼	10¾	14¼
St. Paul & Duluth	27½	15	27½—Aug. 4	20 —Jan. 4	27½	24	26
" preferred	91	75	87 —Feb. 3	75 —Apr. 20	83	76½	83
St. Paul, Minn. & Manitoba	115	105	125 —Aug. 6	114 —Jan. 28	125	124	124
Southern Pacific Co.	22¼	14	22 —Aug. 9	13½—Jan. 13	22	16⅝	21½
Southern Railway	11¾	6½	11¾—Aug. 12	7 —Apr. 19	11¾	9⅞	11⅝
" preferred	33¼	15½	36⅞—Aug. 31	22⅞—Mar. 19	36⅞	32⅝	36½
Tennessee Coal & Iron Co.	34¾	13	32½—Aug. 31	17 —May 20	32½	25½	32½
Texas & Pacific	12	5	15 —Aug. 30	8 —Apr. 1	15	12¼	14¾
Union Pacific trust receipts	12½	3⅞	18⅛—Aug. 30	4½—Apr. 19	18⅛	7¾	17⅞
Union Pac., Denver & Gulf	5½	1⅛	7¼—Aug. 12	1 —Apr. 24	7¼	2⅞	6⅛
Wabash R. R.	8	4½	8¾—Aug. 31	4⅝—Mar. 29	8¾	7⅛	8⅝
" preferred	19¾	11	22¼—Aug. 31	11½—Apr. 19	22¼	17¾	22
Western Union	90¼	72¾	94½—Aug. 31	77¼—Apr. 30	94½	85⅞	94½
Wheeling & Lake Erie	18¼	5¼	6½—Jan. 2	½—June 1	3	1⅜	2⅜
" preferred	40¾	20⅝	29 —Jan. 5	2⅝—Apr. 15	12½	6¼	12¼
Wisconsin Central	4⅜	1⅜	4⅝—Aug. 12	1 —June 3	4⅝	1½	3¾
"Industrial"	Stocks:						
American Co. Oil Co.	19	8	23¼—Aug. 31	9½—May 28	23¼	17	23¼
" preferred	68⅞	37	77 —Aug. 31	52¼—Feb. 16	77	68	77
American Spirits Mfg Co.	14⅞	4½	15⅞—Aug. 6	9¼—Apr. 23	15⅞	12⅞	14¼
" preferred	33¼	14¾	36 —Aug. 5	26 —Jan. 5	36	32½	33⅝
American Sugar Ref. Co.	126⅝	95	157 —Aug. 31	109½—Mar. 29	157	136½	156
" preferred	104	92¼	117¾—Aug. 31	100¼—Jan. 7	117¾	111½	117½
American Tobacco Co.	95	51	96⅝—Aug. 9	67½—Feb. 15	96⅝	›3	94½
" preferred	106	95	115 —Aug. 6	100 —Feb. 11	115	110¾	112½
General Electric Co.	39½	20	38⅝—Aug. 4	28⅝—May 19	38⅝	35	37⅛
National Lead Co.	28⅝	16	37⅞—Aug. 24	21⅞—Feb. 16	37⅞	34	37
" preferred	92¾	75	105½—Aug. 25	88⅜—Feb. 18	105½	102½	105½
National Linseed Oil Co.	21¼	11½	23½—Aug. 13	10 —May 17	23½	15½	21½
National Starch Manfg. Co.	7¾	4¾	13 —Aug. 31	3 —May 5	13	6⅞	11½
Standard Rope & Twine Co.	12½	8⅛	11¾—Jan. 19	3½—June 29	8⅝	7⅛	7⅛
U. S. Leather Co.	11⅞	5½	10¼—Aug. 23	6½—Apr. 19	10¼	8	9¾
" preferred	69⅛	41½	71½—Aug. 23	50½—Apr. 29	71½	62⅞	70
U. S. Rubber Co.	29	14½	25¼—Jan. 19	10 —June 3	20⅝	14½	18½
" preferred	89	65	76⅞—Jan. 5	50 —July 20	71	58¼	66

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

Last Sale, Price and Date and Highest and Lowest Prices and Total Sales for the Month.

Note.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	83½	Aug.31,'97	84¼	80	234,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	109,932,500	A & O	87⅝	Aug.31,'97	87¾	86½	3,420,000
" adjustment, g. 4's	1995	51,728,000	NOV	58¼	Aug.31,'97	58⅞	55⅛	8,353,000
" Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	....	....	....	....	....
" Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	94½	Aug.13,'97	94½	94½	5,000
Atlan. & Pac. Western div. inc.	1910	10,454,000	A & O	⅝	Aug.30,'97	1	⅝	247,000
" div. small	1910		A & O	10	Mar. 17,'93	....	....	....
" Central div. inc	1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.)	1919	3,000,000	A & O	108	Aug.30,'97	108	106½	13,000
" 5's, gold	1885–1925	3,021,000	F & A	78	July 28,'97	....	....	....
" coupons off				....	....	....	....	....
" registered			F & A	83	July 30,'97	....	....	....
" eng. ctfs of deposit		6,979,000	......	82	Aug.25,'97	82	82	3,000
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	90	May 27,'97	....	....	....
" registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s	1990	10,667,000	J & J	102	May 29,'96	....	....	....
" 1st c. g. 4½'s	1993	10,511,000	J & J	60	June 9,'97	....	....	....
" 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug.18,'94	....	....	....
" "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s	1930	2,500,000	M & S	97½	June 22,'97	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
" coupons off		....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	104½	Aug.10,'97	104½	104½	5,000
Broadway & 7th av. 1st con. g. 5's	1943	7,650,000	J&D	120¾	Aug.21,'97	120¾	120¼	11,000
" registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	115	Aug.13,'97	115	115	3,000
Brooklyn Elevated 1st g. 6s's,	1924	465,000	A & O	75½	June 25,'97	....	....	....
" eng. Trust Co. ctfs		3,035,000	......	80	Aug.31,'97	83½	77⅜	97,000
" 2d g. 5's	1915	123,000	J & J	43	June 19,'97	....	....	....
" eng. Tr. Co. ctfs		1,126,000	......	....	....	....	....	....
Seaside & Bkln Bdge 1st g. g. 5's	1942	120,000	J & J	80	Mar. 31,'96	....	....	....
" eng. Tr. Co. ctfs		1,245,000	......	72½	Aug.17,'97	72½	67½	27,000
Union Elevated 1st gtd. g. 6's	1937	936,000	M & N	80⅛	Aug.30,'97	80¼	80⅛	10,000
" eng. Tr. Co. ctfs		5,212,000	......	80	Aug.31,'97	80½	77⅜	169,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	88⅜	Aug.30,'97	89½	88	573,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	101⅝	Aug.26,'97	102	100	22,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	122¾	Aug.16,'97	122¾	122¾	1,000
" cons. 1st 6's,	1922	3,920,000	J & D	120	July 19,'97	....	....	....
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
" registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's	1906	6,500,000	J & D	107¾	Aug.31,'97	108¾	107¾	15,000
" con. 1st & col. tst 5's	1934	6,425,000	A & O	105¾	July 26,'97	....	....	....
" registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's. g.	1927	150,000	J & D	140	Aug.24,'95	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 6's	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
" 1st 5's	1921	1,905,000	A & O	102	July 28,'96	...	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest price and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
Canada Southern 1st int. gtd 5's,	1908	13,920,000	J & J	110⅛	Aug. 28,'97	111⅝	110	38,000
" 2d mortg. 5's,	1913	5,100,000	M & S	109	Aug. 17,'97	109	109	13,000
" registered			M & S	106½	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s,	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's,	1937	4,880,000	M & N	92¼	Aug. 16,'97	92½	92¼	5,000
Central R'y of Georgia, 1st g. 5's.	1945	7,000,000	F & A	114	Aug. 30,'97	114	113¼	68,000
" registered $1,000 & $5,000			F & A	....	....	....	....	....
" con. g. 5's	1945	16,500,600	M & N	94½	Aug. 31,'97	94½	93½	278,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....	....	....	....	....
" 1st. pref. inc. g. 5's,	1945	4,000,000	OCT 1	39½	Aug. 31,'97	40	37½	409,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	14	Aug. 31,'97	15	12½	110,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	8¼	Aug. 17,'97	8¼	8	47,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	95½	July 15,'97	....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	106½	Aug. 23,'97	106½	106½	8,000
" convertible 7's	1902	1,167,000	M & N	118¼	June 19,'97	....	....	....
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	113½	Aug. 26,'97	114	113	99,000
" registered			Q J	112	Aug. 25,'97	112	111	56,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	102¼	Aug. 26,'97	102¼	100	51,000
" mortgage 5's	1912	2,887,000	M & N	78	July 9,'97	....	....	....
Am. Dock & Improvm't Co. 5's,	1921	4,987,000	J & J	113½	Aug. 3,'97	113½	113	11,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 18,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	101½	Aug. 27,'97	102	101½	109,000
" ext g 5s series A B C D.	1898	5,598,000	J & J	100¾	Aug. 17,'97	100¾	100¾	11,000
" ext g 5's series E.	1898	3,210,000	J & J	102½	June 10,'97	....	....	....
" San Joaquin br. g 6's.	1900	6,080,000	A & O	102½	June 19,'97	....	....	....
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	....
" Cal. & O. div. ex. g. 7's,	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	June 16,'97	....	....	....
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	90	Aug. 28,'97	90	89	58,000
Cent. Wash. Tr. Co. cts. 1st g. 6's.	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 18,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	102½	Aug. 13,'97	102½	102½	18,000
" 6's, g., Series A	1908	2,000,000	A & O	120	Aug. 24,'97	120½	120	3,000
" Mortgage gold 6's	1911	2,000,000	A & O	120	Aug. 25,'97	120	120	1,000
" 1st con. g. 5's	1939	23,571,000	M & N	112	Aug. 31,'97	112	110¾	29,000
" registered			M & N	107½	May 3,'97	....	....	....
" Gen. m. g. 4½'s	1992	21,803,000	M & S	85¼	Aug. 31,'97	85½	79⅝	2,782,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's,	1989	6,000,000	J & J	100	Aug. 30,'97	103	100	18,000
" 2d con. g. 4's	1989	1,000,000	J & J	92	July 20,'97	....	....	....
" Craig Val. 1st g. 5's	1940	650,000	J & J	92½	June 17,'96	....	....	....
" Warm S. Val. 1st g. 5's,	1941	400,000	M & S	93	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's,	1902	3,007,000	M & S	102¼	Aug. 27,'97	103½	101½	51,000
Ches. Ohio & S'thwestern m. 6's.	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug. 22,'93	....	....	....
Chicago & Alton s'king fund 6's.	1903	1,832,000	J & J	113¼	Aug. 31,'97	113¼	113¼	2,000
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	110¼	May 13,'97	....	....	....
" 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	107	Aug. 27,'97	107	106¼	8,000
Chicago, Burl. & Quincy con. 7's.	1903	28,924,000	J & J	116½	Aug. 31,'97	117½	116½	29,000
" 5's, sinking fund	1901	2,315,000	A & O	103½	June 12,'97	....	....	....
" 5's, debentures	1913	9,000,000	M & N	104½	Aug. 31,'97	105	103	107,000
" convertible 5's	1903	15,263,900	M & S	110⅝	Aug. 31,'97	110⅝	105⅝	272,000
" (Iowa div.) sink. f'd 5's,	1919	2,818,000	A & O	109	June 9,'97	....	....	....
" 4's	1919	7,568,000	A & O	101	July 13,'97	....	....	....
" Denver div. 4's	1922	6,141,000	F & A	97½	June 25,'97	....	....	....
" 4's	1921	3,300,(0)	M & S	88¼	Nov. 6,'93	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	AUGUST SALES. *High.*	AUGUST SALES. *Low.*	AUGUST SALES. *Total.*
" Nebraska extensi'n 4's	1927	26,411,000	M & N	94⅛	Aug. 31,'97	94⅛	93¾	165,000
" registered			M & N	91	July 10,'97	....	....	....
" Han. & St. Jos. con. 6's	1911	8,000,000	M & S	121¼	Aug. 30,'97	122	121⅛	17,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
" small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	128⅛	Aug. 25,'97	128¼	128	15,000
" gen. con. 1st 5's	1937	9,767,000	M & N	101⅝	Aug. 31,'97	102½	101⅜	173,000
" registered			M & N	99½	May 14,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	100¼	Aug. 30,'97	100½	100	26,000
Chicago, Indianapolis & Louisville.								
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	115½	June 24,'97	....	....	....
Chic. Ind. & Louisv. ref. g. 6's	1947	3,509,000	J & J	96	Aug. 30,'97	97⅛	95½	64,000
" refunding g. 5's	1947	2,717,000	J & J	82½	Aug. 31,'97	83	80½	214,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	3,674,000	F & A	104	Aug. 31,'97	104	103¾	29,000
" 2d 7 3-10 P. D.	1898	766,000	F & A	138¾	Aug. 26,'97	138¾	138	9,000
" 1st 7's $ gold, R. div.	1902	3,736,500	J&J	138½	Aug. 20,'97	138½	138½	3,000
" 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
" 1st m. Iowa & D. 7's	1899	431,000	J & J	139½	June 30,'97	....	....	....
" 1st m. C. & M. 7's	1903	2,391,000	J & J	135⅝	July 2,'97	....	....	....
Chicago Mil. & St. Paul con. 7's	1905	11,297,000	J & J	139⅛	Aug. 30,'97	139¼	137½	56,000
" 1st 7's, Iowa & D. ex.	1908	8,505,000	J & J	138½	Aug. 7,'97	138½	138½	2,000
" 1st 6's, Southw'n div.	1909	4,000,000	J & J	118½	July 26,'97	....	....	....
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	113	June 2,'97	....	....	....
" 1st So. Min. div. 6's	1910	7,432,000	J & J	118½	Aug. 30,'97	118½	118	3,000
" 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	128½	July 22,'97	....	....	....
" 5's	1910	990,000	J & J	107½	July 6,'97	....	....	....
" Chic. & Pac. div. 6's	1910	3,000,000	J & J	121¼	June 25,'97	....	....	....
" 1st Chic. & P. W. 5's	1921	25,340,000	J & J	115	Aug. 26,'97	115½	114½	50,000
" Chic. & M. R. div. 5's	1926	3,083,000	J & J	111¼	Aug. 26,'97	111¼	110	5,000
" Mineral Point div. 5's	1910	2,840,000	J & J	109	June 3,'97	....	....	....
" Chic. & Lake Sup. 5's	1921	1,360,000	J & J	113	Aug. 4,'97	113	113	4,000
" Wis. & Min. div. 5's	1921	4,755,000	J & J	112½	July 9,'97	....	....	....
" terminal 5's	1914	4,748,000	J & J	112¼	July 23,'97	....	....	....
" Far. & So. 6's assu.	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
" mtg. con. si'k. f'd 5's	1916	1,680,000	J & J	106½	July 9,'97	....	....	....
" Dakota & Gt. S. 5's	1916	2,856,000	J & J	111⅛	Aug. 16,'97	111⅛	111	3,000
" g. m. g. 4's, series A	1989	20,999,000	J & J	102⅝	Aug. 31,'97	103	102⅝	312,000
" registered		....	Q J	94½	Dec. 11,'95	....	....	....
" Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	118	June 22,'97	....	....	....
" 1st convt. 6's	1913	5,092,000	J & D	118⅝	Feb. 15,'97	....	....	....
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	144	Aug. 30,'97	144¼	143	28,000
" coupon gold 7's	1902	12,336,000	J & D	118	Aug. 30,'97	118	117½	58,000
" registered d. gold 7's	1902		J & D	118	Aug. 25,'97	118	118	7,000
" sinking fund 6's	1879-1929	5,591,000	A & O	120	Aug. 20,'97	120	120	1,000
" registered			A & O	117½	July 13,'97	....	....	....
" 5's	1879-1929	7,237,000	A & O	113	July 19,'97	....	....	....
" registered			A & O	108	Apr. 5,'97	....	....	....
" debenture 5's	1933	9,800,000	M & N	117¾	Aug. 18,'97	117¾	117½	5,000
" registered			M & N	112½	May 7,'97	....	....	....
" 25 year deben. 5's	1909	6,000,000	M & N	110	Aug. 26,'97	110	109½	24,000
" registered			M & N	108¾	July 13,'97	....	....	....
" 30 year deben. 5's	1921	9,800,000	A & O	115⅛	Aug. 28,'97	115⅛	115	18,000
" registered			A & O	107	Nov. 20,'95	....	....	....
" extension 4's	1886-1926	18,632,000	F A 15	105	Aug. 25,'97	105	104	14,000
" registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	138½	Aug. 21,'97	138½	138½	10,000
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	108	Nov. 20,'96	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	107	Nov. 28,'96	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,000,000	M & N	135½	Aug. 17,'97	135½	135½	1,000
" con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	115⅝	Aug. 11,'97	115⅝	114½	6,000
" Michigan div. 1st 6's	1924	1,281,000	J & J	131½	Aug. 30,'97	....	....	....
" Ashland div. 1st 6's	1925	1,000,000	M & S	134	July 22,'97	131½	131½	5,000
" income		500,000	M & N	110¼	July 2,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	132½	Aug. 9,'97	132½	132	34,000
" 6's registered	1917		J & J	130¾	Apr. 30,'97	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	LAST SALE. Date.	AUGUST SALES. High.	AUGUST SALES. Low.	AUGUST SALES. Total.
″ exten. and collat. 5's..1934	40,881,000	J & J	106¼	Aug.31,'97	106⅜	105⅛	292,000
″ registered..........		J & J	105½	Aug.28,'97	105½	105½	5,000
″ debenture 5's..........1921	4,500,000	M & S	104¾	Aug.27,'97	104⅞	103	204,000
″ registered..........	....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.1905	1,200,000	J & J	85	Aug.21,'97	88	85	2,000
″ 1st 2½'s..........1905	1,200,000	J & J	70	Aug.10,'97	70	70	1,000
″ extension 4 s..........	672,000	J & J	83	Mar.15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	103¼	July 22,'97	....	....	....
″ small bond..........1923	....	A & O	100	Apr.15,'97	....	....	....
Chic., St.P., Minn.& Oma.con. 6's.1930	18,418,000	J & D	131	Aug.27,'97	132½	131	31,000
Chic., St. Paul & Minn. 1st 6's..1918	8,000,000	M & N	131	July 27,'97	....	....	....
North Wisconsin 1st mort. 6's..1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	131½	Aug.12,'97	131½	131½	2,000
Chic., Tenn. Tr U.S.TrCo.cfs. of prop	24,968,000	......	45¾	Aug.31,'97	45⅝	43½	1,906,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's.1919	1,062,000	M & N	106	June 22,'97	....	....	....
″ gen'l mortg. g. 6's......1932	9,652,666	Q M	119½	July 28,'97	....	....	....
Chic. & West Michigan R'y 5's...1921	5,758,000	J & D	98½	Mar. 18,'93	....	....	....
″ coupons off..........	....	......	....	....	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's.1905	996,000	A & O	120	July 15,'96	....	....	....
″ 2d g. 4½'s..........1937	2,000,000	J & J	103½	Mar. 18,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's..1941	3,500,000	M & N	109	Aug.28,'97	109½	109	14,000
City Sub. R'y, Balto. 1st g. 5's....1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g.6's.1930	730,000	F & A	....	....	....	....	....
Clev. & Can.Tr.Co.ctfs. 1st 5's for.1917	2,000,000	......	67	Aug.30,'97	67	67	5,000
Clev.,Cin.,Chic.& St.L. gen.m. 4's.1993	7,574,000	J & D	86	May 25,'95	....	....	....
″ do Cairo div. 1st g. 4's..1939	5,000,000	J & J	89	Apr. 15,'97	....	....	....
St. Louis div. 1st col. trust g.4's.1990	9,750,000	M & N	95	Aug.30,'97	95⅝	95	79,000
″ registered..........			90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin.,Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	89½	Apr. 15,'97	....	....	....
Cin.,Ind., St. L. & Chic. 1st g.4's.1936	7,685,000	Q F	101¼	Jnly 27,'97	....	....	....
″ registered..........			95	Nov. 15,'94	....	....	....
″ con. 6's..........1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin.,S'dusky&Clev.con.1st g.5's1928	2,571,000	J & J	118	Apr. 22,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's..1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	81	Aug.27,'97	81	72	209,000
″ income 4's..........1990	4,000,000	A	21	Aug.26,'97	21	15	149,000
Clev., C., C. & Ind. 1st 7's s'k. f'd.1899	3,000,000	M & N	106¾	Aug.12,'97	106¾	106¾	1,000
″ consol mortg. 7's......1914	3,991,000	J & D	133½	June 29,'97	....	....	....
″ sink. fund 7's..........1914		J & D	119⅝	Nov. 19,'89	....	....	....
″ gen. consol 6's..........1934	3,205,000	J & J	127¾	May 14,'97	....	....	....
″ registered..........		J & J	....	....	....	....	....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's.1901	1,000,000	A & O	106	May 4,'97	....	....	....
Clev.,Lorain & Wheel'g con.1st 5's1933	4,300,000	A & O	103	Aug.27,'97	103	103	4,000
Clev., & Mahoning Val. gold 5's..1938	2,936,000	J & J	108	Apr. 14,'97	....	....	....
″ registered..........		Q J	....	....	....	....	....
Coeur d'Alene 1st g. 6's..........1916	360,000	M & S	104	May 5,'92	....	....	....
″ gen. 1st g. 6's.....1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col.Midld Tr.Co.ctfs.1stg.6's asst.1936	5,615,000	J & D	64	Aug.30,'97	66	63	197,000
″ Tr.Co.cfs.cn.g.4'sstm gtd.1940	988,000	F & A	21	June 6,'96	....	....	....
″ ″ 1st instal. paid..........	....	......	12	Aug.30,'97	12½	10¼	289,000
″ ″ assented..........	3,900,000	......	5¼	Aug.20,'97	6½	5⅛	723,000
″ ″ 1st instal. paid..........	....	......	....	....	....	....	....
Col'bus & Ninth Av. 1st gtd g. 5's.1993	3,000,000	M&S	119¾	Aug.24,'97	119¾	119½	30,000
″ registered..........		M&S	....	....	....	....	....
Col., Hock. Val. & Tol. con. g. 5's.1931	733,000	M & S	74	Aug.10,'97	74½	74	10,000
″ J. P. M. & Co. eng certf....	7,267,000	......	75	Aug.31,'97	75	73¾	89,000
″ gen. mort. g. 6's..........1904	2,000.000	J & D	59	Aug.30,'97	59	55	4,000
″ gen. lien g. 4's..........1996	852,000	J & J	....	....	....	....	....
″ registered, $5,000..........		J & J	....	....	....	....	....
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's..........1914	5,000,000	M & N	142½	Aug.24,'97	143⅛	142½	10,000
″ bonds, 7's..........1900	281,000	J & J	111	Aug.30,'97	111	109	3,000
″ 7's..........1871-1901	4,991,000	A & O	113½	May 26,'97	....	....	....
″ 1st c. gtd 7's..........1915	12,151,000	J & D	145	Aug.31,'97	145	145	2,000
″ registered..........		J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	139	Aug. 2,'97	139	139	5,000
″ const. 5's..........1923	5,000,000	F & A	118½	Aug. 6,'97	118½	118½	1,000
Warren 2d 7's..........1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
Delaware & Hudson Canal.							
" 1st Penn. Div. c. 7's...1917	5,000,000	M & S	147½	Aug.31,'97	147½	147½	1,000
" reg....................1917		M & S	143	May 4,'96	....	....	....
Albany & Susq. 1st c. g. 7's.....1906	3,000,000	A & O	122½	May 22,'97	....	....	....
" registered..................		A & O	128½	Feb. 12,'94	....	....	....
" 6's.....................1906	7,000,000	A & O	118	June 14,'97	....	....	....
" registered..................		A & O	116½	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's......1921	2,000,000	M & N	148¾	Aug.18,'97	148¾	148¾	1,000
" 1st r 7's.................1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's.1933	730,000	A & O	....	....	....	....	....
Denver T'way Co. con. g. 6's....1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's.1911	913,000	J & J	....	....	....	....	....
Denver & Rio G. 1st con. g. 4's...1936	28,465,000	J & J	88	Aug.30,'97	89	87¾	16,000
" 1st mortg. g. 7's..........1900	6,382,500	M & N	110½	July 27,'97	....	....	....
" impt. m. g. 5's............1928	8,103,500	J & D	85½	Aug.26,'97	86	85½	22,000
Detroit, Mac. &Ma. ld gt. 3½ S A..1911	3,028,000	A & O	20	Aug.28,'97	21¼	19¼	125,000
Detroit & Mack. 1st lien g. 4s......1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s.....................1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's......1937	6,332,000	A & O	102½	Aug.16,'97	103¼	101¼	67,000
" registered..................		A & O	101½	July 23,'89	....	....	....
" 2d l m 6s.................1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's.1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's..1937	4,000,000	J & J	101½	Aug.27,'97	101¾	101½	12,000
Erie, 1st mortgage ex. 7's........1897	2,482,000	M & S	112¼	July 15,'97	....	....	....
" 2d extended 5's.........1919	2,149,000	M & N	122	June 23,'97	....	....	....
" 3d extended 4½'s......1923	4,618,000	M & S	114½	Aug. 2,'97	114½	114½	2,000
" 4th extended 5's.......1920	2,926,000	A & O	120⅓	July 14,'97	....	....	....
" 5th extended 4's.......1928	709,500	J & D	104¼	May 27,'96	....	....	....
" 1st cons gold 7's.......1920	16,890,000	M & S	144½	Aug. 7,'97	144½	144½	20,000
" 1st cons. fund c. 7's....1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's..........1953	7,500,000	A & O	135	Aug.17,'97	135	135	3,000
Buffalo, N. Y. & Erie 1st 7's.....1916	2,380,000	J & D	137¾	Apl. 23,'97	....	....	....
Buffalo & Southwestern m 6's..1908	1,500,000	J&J	....	....	....	....	....
" small......................		J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's....1909	2,800,000	A & O	107	June 16,'97	....	....	....
Chicago & Erie 1st gold 5's.....1982	12,000,000	M & N	111½	Aug.18,'97	111½	110¾	33,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's..............1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's...........1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
Erie R.R. 1st con. g-4s prior bds..1996	30,000,000	J&J	92⅞	Aug.31,'97	93	89¼	1,801,000
" " registered..............		J&J	....	....	....	....	....
" " gen. lien 3-4s........1996	30,927,000	J&J	72½	Aug.31,'97	72⅞	66½	2,510,000
" " registered..............		J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g.....1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's.1921	3,000,000	J & J	111	May 21,'97	....	....	....
" 1st General g 5's.........1942	2,223,000	A & O	95	Sept.14,'94	....	....	....
" Mount Vernon 1st 6's...1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's...1930	450,000	A & O	95	Sep. 15, '91	....	....	....
Evans. & Ind'p. 1st con. g g 6's....1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's....1920	3,999,000	A & O	114	Aug. 2,'97	114	114	3,000
" 1st con. gold 5's..........1939	2,100,000	M & N	85	Aug.31,'97	85	82	18,000
" Port Huron d 1st g 5's..1939	3,083,000	A & O	79	Aug.27,'97	79¼	77	20,000
Florida Cen. & Penins. 1st g 5's...1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's..1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's.............1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s.1941	1,000,000	J & J	105¾	July 31,'97	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's..1921	8,176,000	......	70	Aug.31,'97	70	66¼	340,000
Ft. Worth & Rio Grande 1st g 5's.1928	2,863,000	J & J	57⅛	Aug.31,'97	57⅜	56	78,000
Gal., Harrisburgh & S. A. 1st 6's.1910	4,756,000	F & A	108	July 15,'97	....	....	....
" 2d mortgage 7's.........1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
" Mex. & Pac. div. 1st 5's, 1931	13,418,000	M & N	91¾	Aug.30,'97	91¾	90¾	129,000
Geo. & Ala. Ry. 1st pref. g. 5's...1945	2,230,000	A & O	103	Aug.11,'97	103	103	6,000
Ga. Car. & N. Ry. 1st gtd. g. 5's..1927	5,360,000	J & J	83	June 23,'97	....	....	....
Housatonic R. con. m. g. 5's.....1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's....1918	575,000	M & N	115½	Oct. 15, '94	....	....	....
Houston & Texas Central R. R.							
" 1st Waco & N. 7's.......1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd).......1937	7,381,000	J & J	110½	Aug.11,'97	110½	109⅝	2,000
" Con. g. 6's (int. gtd)....1912	3,455,000	A & O	105	June 29,'97	....	....	....
" Gen. g. 4's (int. gtd.)....1921	4,297,000	A & O	74¾	Aug.31,'97	75	71	129,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	AUGUST SALES. *High.*	AUGUST SALES. *Low.*	AUGUST SALES. *Total.*
" Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
" Deben. 4's p. & int. gtd,	1897	411,000	A & O	100	July 6,'97	....	....	....
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	July 19,'97	....	....	....
" registered			J&J	112½	July 13,'97	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	104	Aug.28,'97	104	103⅞	25,000
" gold 4's regist'd			A & O	102¼	Aug.25,'96	102¼	102¼	1,000
" gold 4's	1953	24,679,000	M & N	101¾	Aug.12,'97	101¾	101¾	5,000
" gold 4's registered			M & N	....	....	....	....	....
" 2-10 g. 4's	1904	4,806,000	J & J	100⅛	June 4,'97	....	....	....
" 2-10 g. 4's registered			J & J	....	....	....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered			M & S	....	....	....	....	....
" West'n Line 1st g. 4's,	1951	3,550,000	F & A	105½	July 27,'97	....	....	....
" registered			F & A	....	....	....	....	....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101⅛	Sept. 10,'95	....	....	....
" registered				....	....	....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	101¼	July 9, '97	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug.16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	July 1,'97	....	....	....
" 1st consol. 7's	1897	826,000	M & N	102¾	Aug.18,'97	102¾	102¾	7,000
" gold 5's	1951	16,526,000	J D 15	123½	July 22,'97	....	....	....
" gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	....
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	103⅝	July 28,'97	....	....	....
" registered			J & D	....	....	....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	105	Aug.18,'97	105	104¾	40,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	88	July 7,'97	....	....	....
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	120	Aug.12,'97	120½	120	15,000
" 2d mortgage 4½-5's	1909	6,593,000	M & S	86	Aug.30,'97	86	83½	64,000
" 3d mortgage g-4's	1921	2,711,000	M & S	47	Aug.30,'97	47	43	59,000
Iowa Central 1st gold 5's	1938	6,822,000	J & D	97½	Aug.31,'97	97½	95½	157,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....	....	....	....	....
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	57½	Aug.31,'97	57½	54	27,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	40	Aug.23,'97	40	40	6,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	115¼	July 27,'97	....	....	....
" 2d mtge. g. 5's	1941	2,600,000	J & J	102	Aug.26,'97	102	101	21,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	100½	Aug.26,'97	100½	100½	1,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	104⅝	June 29,'97	....	....	....
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,134,500	A & O	107¾	June 15,'97	....	....	....
" con. co. 1st 7's	1900	10,778,000	J&J	109⅞	Aug.21,'97	109¾	109⅝	14,000
" con. 1st registered	1900		Q J	109¾	July 24,'97	....	....	....
" con. co. 2d 7's	1903	9,998,000	J&D	120½	June 29,'97	....	....	....
" con. 2d registered	1903		J&D	120	Aug.31,'97	120	120	5,000
" g 3½s	1997	22,433,000	J & D	103⅝	Aug.25,'97	104	103⅝	130,000
" " registered			J & D	109	Dec. 21,'96	....	....	....
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	....	....	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	100½	Aug.27,'97	101	100½	21,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	112	Aug.25,'97	112	110	60,000
" registered			A & O	109½	July 1,'97	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	103	July 27,'95	....	....	....
" registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	90	July 29,'97	....	....	....
" registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	99½	Feb. 4,'97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	119¾	Aug.31,'97	119¾	119	37,000
" registered			M&S	....	....	....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104¼	July 28,'97	....	....	....
Long Island 1st cons. 5's	1931	3,610,000	Q J	117½	July 23,'97	....	....	....

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
Long Island gen. m. 4's	1938	3,000,000	J & D	88	Aug.23,'97	88	87	18,000
" Ferry 1st g. 4½'s	1922	1,500,000	M & S	90	Aug.21,'97	90	88¾	11,000
" g. 4's	1932	325,000	J & D					
" deb. g. 5's	1934	1,500,000	J & D					
N. Y. & Rock'y Beach 1st g. 5's,	1927	984,000	M & S	100	May 25,'97			
" 2d m. inc	1927	1,000,000	S	40	Mar. 23,'96			
N. Y. B'kln & M. B. 1st c. g. 5's,	1935	1,726,000	A & O	106½	July 9,'97			
Brooklyn & Montauk 1st 6's	1911	250,000	M & S					
" 1st 5's	1911	750,000	M & S	107½	July 16,'96			
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's,	1932	1,075,000	Q JAN	103½	June 17,'95			
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J					
Montauk Extens. gtd. g. 5's	1945	300,000	J & J					
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's.	1939	3,406,000	J & J	30	July 27,'97			
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Aug.21,'97	9½	9½	5,000
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	104¾	Aug.28,'97	104¾	104½	19,000
" Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96			
" N. O. & Mobile 1st 6's,	1930	5,000,000	J & J	120	Aug. 4,'97	120	120	1,000
" 2d 6's	1930	1,000,000	J & J	107	Aug.23,'97	107	107	6,000
" E., Hend. & N. 1st 6's	1919	2,833,000	J & D	115	May 11,'97			
" general mort. 6's	1930	10,248,000	J & D	117	Aug.30,'97	117	116¼	45,000
" Pensacola div. 6's	1920	580,000	M & S	108½	Jan. 22,'97			
" St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97			
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95			
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107½	Aug. 3,'97	107½	107½	1,000
" So. N. Ala. si'g fd. 6s,	1910	1,942,000	A & O	92½	Sept.30,'96			
" 5% 50 year g. bonds	1937	1,764,000	M & N	100	June 30,'97			
" Unified gold 4's	1940	14,994,000	J & J	84½	Aug.31,'97	84⅝	83¼	336,000
" registered	1940		J & J	83	Feb. 27,'93			
" Pen. & At. 1st 6's, g. g,	1921	2,833,000	F & A	99	Aug.18,'97	99	98	39,000
" collateral trust g. 5's,	1931	5,129,000	M & N	99½	June 16,'97			
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	104½	Mar. 16,'97			
" N. Fla. & S. 1st g. g. 5's,	1937	2,096,000	F & A	84	Aug.21,'97	84	84	1,000
South & N. Ala. con. gtd. g. 5's,	1936	3,673,000	F & A	93½	July 28,'97			
Kentucky Cent. g. 4's	1987	6,742,000	J & J	87	Aug.25,'97	87	87	5,000
L. & N. Louv. Cin. & Lex. g. 4½'s,	1931	3,258,000	M & N	107	Jan. 20,'97			
Lo. & Jefferson Bdg. Co. gtd. g. 4's.	1945	3,000,000	M & S					
Louisville Railw'y Co. 1st c. g. 5's,	1930	4,600,000	J & J	100⅝	Sept. 9,'92			
Manhattan Railway Con. 4's	1990	24,065,000	A & O	96¾	Aug.27,'97	97¾	96	116,000
Manitoba Swn. Coloniza'n g. 5's,	1934	2,544,000	J & D					
Market St. Cable Railway 1st 6's,	1913	3,000,000	J & J					
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95			
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118	Aug.30,'97	118	118	26,000
" 2d 6's	1899	4,000,000	M & N	105⅝	Aug. 3,'97	106	105⅝	4,000
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	66	Aug.14,'97	66	66	10,000
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96			
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96			
Mexican International 1st g. 4's,	1942	14,000,000	M & S	69	Mar. 10,'97			
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95			
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96			
" coup. stamped								
" 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97			
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97			
" registered			J & D					
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	116¾	Aug.28,'97	116¾	116	69,000
" 1st con. 5's	1902	2,000,000	M & N	107½	Aug. 9,'97	107½	107½	10,000
" 6's	1909	1,500,000	M & S	118	May 23,'96			
" coup. 5's	1931	3,576,000	M & S	120	July 15,'97			
" reg. 5's	1931		Q M	115	Apr. 29,'96			
" mort. 4's	1940	2,600,000	J & J	105½	June 4,'97			
" mtge. 4's reg			J & J	102	Jan. 20,'96			
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D					

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Mil. Elec. R. & Light con. 30 yr. g. 5's	1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	135⅛	Aug. 4,'97	135⅛	135⅛	4,000
" 1st con. g. 5's	1934	5,000,000	M & N	106	Aug. 22,'97	106	104¾	67,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¼	Aug. 31,'97	121¼	121¼	2,000
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	3,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,774,000	J & D	86⅝	Aug. 31,'97	87	85½	518,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	63	Aug. 31,'97	64	61⅛	1,256,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	84⅛	Aug. 31,'97	84½	82⅛	76,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	68	July 9,'97	....	....	....
" Dal. & Waco 1st g. g. 5's	1940	1,340,000	M & N	82	Aug. 31,'97	83	80	40,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Tebo. & Neosho 1st 7's	1903	187,000	J & D	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	98	Aug. 31,'97	98	95	53,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	95	Aug. 31,'97	95	91	257,000
" 3d mortgage 7's	1906	3,828,000	M & N	116	Aug. 16,'97	116	116	10,000
" trusts gold 5's	1917	14,376,000	M & S	47	June 11,'97	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	72	Aug. 31,'97	72	65	162,000
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101	Aug. 18,'97	101	101	14,000
" 2d extended g. 5's	1938	2,573,000	F & A	102	Aug. 17,'97	102	102	9,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s	1897	4,000,000	F & A	104⅞	Aug. 5,'97	104⅞	104¾	29,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	107	Aug. 30,'97	107	107	11,000
" g. con. R. R. & l. gr. 5's	1931	18,845,000	A & O	87⅝	Aug. 31,'97	87⅛	82¾	247,000
" stamped gtd gold 5's	1931	6,945,000	A & O	87	Aug. 31,'97	87	81⅛	48,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	....	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	120⅛	Aug. 24,'97	120⅛	120	14,000
" 1st entension 6's	1927	974,000	J & D	114	Aug. 5,'97	114	114	1,000
" gen. g. 4's	1938	9,450,500	Q J	77¼	Aug. 30,'97	77⅛	71¼	579,000
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	130	Aug. 23,'97	130	130	4,000
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	130	Aug. 26,'97	130¼	130	2,000
" 2d 6's	1901	1,000,000	J & J	101⅛	Apl. 14,'97	....	....	....
" 1st cons. g. 5's	1928	5,594,000	A & O	108	Aug. 31,'97	103	101⅛	62,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M. W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	106⅛	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	117⅞	Aug. 28,'97	118	117¾	107,000
" 1st registered	1903		J & J	117⅞	Aug. 26,'97	117⅞	117⅝	85,000
" debenture 5's	1904	10,000,000	M & S	112	Aug. 30,'97	112	111¼	21,000
" debenture 5's reg.			M & S	111	July 21,'97	....	....	....
" reg. deben. 5's	1889-1904	1,000,000	M & S	107¼	Feb. 13,'97	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	104¼	Aug. 3,'97	104¼	104¼	1,000
" registered	1905		J & D	104	Aug. 20,'97	104⅛	103⅞	21,000
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	105	July 20,'97	....	....	....
" registered			M & N	104¼	Aug. 3,'97	104¼	104¼	1,000
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	111	July 22,'97	....	....	....
" 7's registered	1900		M & N	111	Aug. 24,'97	111¼	111	10,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	108	May 7,'97	....	....	....
" reg. certificates			F & A	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. *Principal Due.*	*Amount.*	*Int's Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	AUGUST SALES. *High.*	AUGUST SALES. *Low.*	AUGUST SALES. *Total.*
West Shore 1st guaranteed 4's.....	50,000,000	J & J	108¾	Aug.31,'97	109⅝	108¼	83,000
" registered..................		J & J	108	Aug.30,'97	108¼	107	77,000
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108¼	Apr. 30,'97	....	....	....
" registered..................		J & J	105⅛	June 12,'96	....	....	....
" 2d gtd. 5's..............1936	500,000	J & J	....		....	....	....
" registered..................	....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	....		....	....	....
" small bonds series B......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	120	Aug.20,'97	121	120	10,000
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107⅛	June 2,'97	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's..1993	4,000,000	A & O	108	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	106¾	Aug.30,'97	107	105¾	97,000
" registered..................		A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's......1905	6,000,000	J & J	123	June 16,'97	....	....	....
" 1st 6's....................1905	4,000,000	J & J	114	May 27,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	106	Dec. 4,'94	....	....	....
" con. deb. receipts.....$1,000	15,007,500	A & O	140	Aug.27,'97	140	139	109,000
" small certifs.............$100	1,430,000	......	138	Aug.20,'97	138	138	1,000
N. Y. & Northern 1st g. 5's.......1927	1,200,000	A & O	121	May 12,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's1939	5,600,000	J & D	109¾	Aug.25,'97	110⅛	109	29,000
" Refunding 1st g. 4's.....1992	8,875,000	M & S	99	Aug.30,'97	99⅛	96⅛	82,000
" Registered......$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	105	Aug.23,'97	105	104⅞	11,000
" 2d mortg. 4½'s........1937	453,000	F & A	73	June 19,'97	....	....	....
" gen. mtg. g. 5's........1940	2,534,000	F & A	84⅝	Aug.31,'97	87	83¼	141,000
" term. 1st mtg. g. 5's...1943	2,000,000	M & N	105⅛	June 19,'97	....	....	....
" registered..........$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	95	Aug.31,'97	96⅞	95	10,000
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	119¾	Aug.10,'97	119¾	119⅛	10,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	15,392,000	J & J	120	Aug.31,'97	120	118	83,000
" registered..................		J & J	119	Aug.28,'97	119	117¾	16,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	130	July 29,'97	....	....	....
" registered certificates....		Q F	122⅝	May 18,'96	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's.1997	74,812,500	Q J	92	Aug.31,'97	92	90⅛	917,000
" registered..................		Q J	88	May 19,'97	....	....	....
" gen. lien g. 3's..........2047	56,000,000	Q F	60⅛	Aug.31,'97	60⅛	57	5,240,000
" registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	3,930,000	J & J	110	Aug.31.'97	110	104	29,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	108	June 28,'97	....	....	....
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	123⅛	July 19,'97	....	....	....
" New River 1st 6's........1932	2,000,000	A & O	120	June 15,'97	....	....	....
" imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off..................	....	......	....		....	....	....
" Sci'o Val & N.E. 1st g.4's.1989	5,000,000	J & N	84	Aug.23,'97	84	82½	75,000
" C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.1996	22,172,500	A & O	77⅝	Aug.31,'97	77⅝	73½	820,000
" registered..................		A & O	....		....	....	....
" small bonds..................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	49	Apr. 18,'96	....	....	....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
" inc	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	102	Aug. 25,'97	102	102	21,000
" consolidated 7's	1898	3,066,000	J & J	102	Aug. 25,'97	102	102	5,000
" 2d consolidated 7's	1911	2,952,000	A & O	120	June 21,'97	....	....	....
" 1st Springf'd d. 7's	1905	1,984,000	M & N	102⅛	Aug. 25,'97	102⅛	101	23,000
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¼	May 11,'97	....	....	....
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	86	Aug. 19,'97	86	86	5,000
" gen. mortg. g 4's	1921	1,543,000	M & N	15	Aug. 24,'97	16	12	13,000
" gen. eng. Trust Co. certs	...	1,255,000	......	9	July 16,'97	....	....	....
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	......	58	Aug. 28,'97	58	57	19,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	72⅛	June 11,'97	....	....	....
Oregon Improvement Co. 1st 6's	1910	743,000	J & D	105	Aug. 20,'97	106	103	23,000
" eng. Tr. Co. ctfs. of dep	.....	3,828,000	......	101¾	Aug. 31,'97	101¾	98	280,000
" con. mortg. g 5's	1939	2,633,000	A & O	82½	Aug. 24,'97	82½	82⅛	5,000
" Trust Co. reor cts 1st ins pd		3,916,000	......	39¾	Aug. 21,'97	40	24¾	1,133,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	112	Aug. 27,'97	112⅛	111	26,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	89⅛	Aug. 31,'97	89¾	87½	224,000
Oregon Short Line 1st g. 6's	1922	13,651,000	F & A	117	Aug. 31,'97	118⅛	117	303,000
Utah & Northern 1st 7's	1908	1,031,000	J & J	118⅛	Aug. 5,'97	118½	118⅛	8,000
" g. 5's	1926	1,877,000	J & J	102	May 24,'94	....	....	....
Oreg. Short Line 1st con. g. 5's	1946	9,907,368	J & J	92⅞	Aug. 30,'97	93⅛	91¾	759,000
" non-cum. inc. A 5's	1946	6,935,000	SEPT.	61⅝	Aug. 30,'97	61⅝	54	802,000
Panama s. f. subsidy g 6's	1910	1,846,000	M & N	101⅛	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	112	Aug. 30,'97	112⅜	111¾	16,000
" reg	1921		J & J	112	Aug. 17,'97	112	111⅛	8,000
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	111	Aug. 18,'97	111	111	3,000
" Series B	1942	10,000,000	A & O	111¼	Aug. 24,'97	111¼	111¼	2,000
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
" Series D gtd. 4's	1945	4,863,000	M & N	101⅛	Aug. 6,'97	101⅛	101⅛	5,000
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	111¼	July 2,'97	....	....	....
" 1st reg. 7's	1900		F & A	109¾	Apr. 23,'97	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	137	July 6,'97	....	....	....
" 2d 7's	1912	2,546,000	J & J	138	July 14,'97	....	....	....
" 3d 7's	1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	113	May 14,'96	....	....	....
" registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	113¾	Apr. 14,'97	....	....	....
" Series A	1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
" 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	June 18,'96	....	....	....
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,303,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	May 12,'97	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
" registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	111	July 8,'97	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	113¾	Apr. 23,'97	....	....	....
Del. R. RR. & BgeCo 1st gtd g. 4's	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's	1920	1,287,000	J & J	101	Aug. 31,'97	101¼	99½	48,000
" Evansville div. 1st 6's	1920	1,470,000	M & S	100	Aug. 30,'97	100	99	10,000
" Tr. Co. ctfs. 2d mort 5's	1926	1,804,000	M & N	16	Aug. 31,'97	17	14¾	391,000

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Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
〃 2d m 4½'s	1921	1,499,000	M & N	80	June 10,'97	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
〃 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	108½	Aug. 31,'97	109	106	44,000
〃 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	74	Aug. 20,'97	75	74	56,000
〃 Mort. g. 5's	1891-1941	3,500,000	M & N	83½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	57,243,000	J & J	86⅛	Aug. 31,'97	86⅝	83⅝	3,383,000
〃 registered			J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	80¾	Aug. 31,'97	80¾	77⅞	576,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.3.4.2	1947	3,500,000	J & J	68	Aug. 31,'97	68	66	104,000
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	105½	Aug. 27,'97	105½	105½	2,000
〃 registered			J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	106	July 1,'97	....	....	....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
〃 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
〃 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	June 12,'97	....	....	....
〃 2d g. 6's, Class B	1906	2,766,500	M & N	115¼	July 30,'97	....	....	....
〃 2d g. 6's, Class C	1906	2,400,000	M & N	115½	Aug. 19,'97	115½	115½	4,000
〃 1st g. 6's P. C. & O.	1919	1,085,000	F & A	118	May 23,'92	....	....	....
〃 gen. g. 6's	1931	7,807,000	J & J	115¾	Aug. 26,'97	116	114¼	139,000
〃 gen. g. 5's	1931	12,293,000	J & J	100⅝	Aug. 30,'97	101⅞	99⅛	255,000
〃 1st Trust g. 5's	1987	1,099,000	A & O	90	Aug. 20,'97	90	90	6,000
Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	110	Mar. 30,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's	1916	732,000	M & S	35	June 11,'97	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	71¾	Aug. 27,'97	73	69⅞	683,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	76	Aug. 28,'97	76	70½	236,000
〃 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	31	Aug. 27,'97	31¼	28	229,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J & J 15	91	Feb. 27,'97	....	....	....
〃 gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
〃 2d 5's	1917	2,000,000	A & O	105	Aug. 12,'97	105	105	2,000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	122½	July 15,'97	....	....	....
〃 Dakota ext'n 6's	1910	5,676,000	M & N	122¾	July 30,'97	....	....	....
〃 1st con. 6's	1933	13,344,000	J & J	126½	Aug. 31,'97	126½	125	17,000
〃 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
〃 1st c. 6's, red'd to 4½'s		21,248,000	J & J	106⅝	Aug. 26,'97	106⅝	105	34,000
〃 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
〃 Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	95	Aug. 30,'97	95	94	12,000
〃 registered			J & D	89½	Apr. 23,'97	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	123	July 10,'97	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	119½	Aug. 17,'97	119½	119½	7,000
〃 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
〃 1st g. g. 5's	1937	2,700,000	J & J	106½	Aug. 30,'97	106½	105	7,000
〃 registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	107⅝	Aug. 5,'97	107⅝	107¼	7,000
〃 registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	107¾	Aug. 6,'97	108	107¾	6,000
〃 registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	61½	Aug. 31,'97	63	60½	1,599,000

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San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	109	Mar. 17,'96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's...1934	4,056,000	A & O	106⅝	Aug. 2,'97	106⅝	106⅝	3,000
" 1st g. 5's................1934	1,780,000	A & O	....	....	....	....	....
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	40	Aug. 27,'97	40	38	32,000
" assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	95¼	Aug. 31,'97	95½	91	189,000
South'n Pac. of Ariz. 1st 6's 1909-1910	10,000,000	J & J	99½	Aug. 31,'97	100⅜	98¼	214,000
South. Pac. of Cal. 1st g 6's...1905-12	30,577,500	A & O	108	Aug. 24,'97	108	108	5,000
" 1st con. gtd. g 5's.....1937	19,095,000	M & N	92	Aug. 31,'97	92¼	91¼	192,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	85½	Aug. 27,'97	85½	83½	118,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's...1911	4,180,000	J & J	106¾	Aug. 30,'97	106¾	105	127,000
Southern Railway 1st con. g 5's.1994	26,962,000	J & J	94¼	Aug. 31,'97	94⅜	91¼	1,529,000
" registered..................		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	91½	Aug. 13,'97	91½	90	81,000
" registered..................		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	112¼	Aug. 17,'97	112¼	112¼	1,000
Atl. & Char. Air Line, income..1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's.....1916	2,000,000	J & J	115½	Aug. 26,'97	115½	115½	5,000
East Tenn., Va. & Ga. 1st 7's...1900	3,123,000	J & J	108	Aug. 25,'97	108	108	4,000
" divisional g 5's........1930	3,106,000	J & J	115½	Aug. 25,'97	115½	112	8,000
" con. 1st g 5's..........1956	12,770,000	M & N	111½	Aug. 31,'97	112	110	77,000
Ga. Pacific Ry. 1st g 5-6's......1922	5,660,000	J & J	118¾	Aug. 31,'97	119⅜	118¼	26,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	118	Aug. 31,'97	118	118	3,000
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	122½	Aug. 23,'97	122½	122	12,000
" equip. sink. f'd g 5's, 1909	1,328,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped......1927	3,368,000	A & O	100	June 29,'97	....	....	....
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. B 6's.............1911	1,900,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. C 6's.............1916	1,100,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. D 4-5's............1921	950,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. E 5's.............1926	1,775,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. F 5's.............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	108	Aug. 27,'97	108	108	9,000
" gen.5's. gtd. stamped.1926	2,466,000	M & N	108¼	Aug. 23,'97	108¼	102½	12,000
W. O. & W. 1st cy. gtd. 4's.....1924	1,275,000	F & A	84	Aug. 10,'97	84	83	4,000
W. Nor. C. 1st con. g 6's........1914	2,531,000	J & J	113¾	July 30,'97	....	....	....
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's...1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	110¼	July 20,'97	....	....	....
" 1st con. g. 5's.....1894-1944	4,500,000	F & A	108¼	July 19,'97	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	108⅝	Oct. 9,'95	....	....	....
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105⅝	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
" Sabine d. 1st 6's.........1912	2,575,000	M & S	106	June 12,'96	....	....	....
" con. m. g 5's.............1943	1,620,000	F & A	96½	Aug. 30,'97	96¾	95	128,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	3,784,000	M & S	107	Jan. 21,'97	....	....	....
" 1st gold 5's..............2000	21,049,000	J & D	96¼	Aug. 31,'97	96½	94⅛	339,000
" 2d gold income, 5's......2000	23,227,000	MAR.	33¼	Aug. 31,'97	33½	29¼	5,423,000
Third Avenue 1st g 5's...........1937	5,000,000	J & J	122½	Aug. 31,'97	123⅛	122½	16,000
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	104	Aug. 25,'97	104	103	5,000
" 1st M. g 5's West. div...1935	2,500,000	A & O	104	Feb. 5,'97	....	....	....
" gen. g. 5's...............1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's.1990	2,340,000	A & O	74	Aug. 18,'97	75	74	[illegible]
Toledo, Peoria & W. 1st g 4's....1917	4,[illegible]00,000	J & D	68½	Aug. 31,'97	68½	66	17,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's.1916	8,234,000	M & N	80½	Aug. 31,'97	80½	76½	143,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
Ulster & Delaware 1st c. g 5's....	1928	1,852,000	J & D	101	Aug.24,'97	101⅛	100	8,000
Union Pacific 1st g. 6's...........	1896	11,604,000	J & J	102	Aug.24,'97	102	101	12,000
" g. 6's..................	1897		J & J	101	Aug.30,'97	101	101	8,000
" g. 6's..................	1898		J & J	101⅛	Aug.23,'97	102	101⅛	54,000
" g. 6's..................	1899		J & J	102	Aug.23,'97	102	101⅞	2,000
" g. 6's Tr.Co.cfs.ex mat cps 1896......................		15,685,000	......	111⅛	Aug.30,'97	111⅛	110	158,000
" g.6's Tr.Co. cfs.ex mat cps 1897......................			......	111¼	Aug.28,'97	111⅛	107¼	209,000
" g.6's Tr.Co. cfs. ex mat cps 1898......................			......	111⅛	Aug.27,'97	112	108	671,000
" g. 6's Tr.Co. cfs.ex mat cps 1899......................			......	111⅝	Aug.23,'97	112	110⅛	118,000
" collat. trust 6's...........		3,968,000	J & J	99	July 17,'97	....	....	....
" 5's.....................	1907	4,970,000	J & D	88	Aug.31,'97	88	82	2,000
" g 4½'s..................	1918	2,000,000	M & N	50	May 22,'95	....	....	....
" eng. Tr. Co. certifs........			......	51	Aug.31,'97	53	50	130,000
" gold notes,6's stampd,	1894	8,150,000	F & A	96¾	Aug.19,'97	101¼	96¾	85,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's.	1899	1,891,000	M & S	111⅛	Aug.31,'97	111⅛	99¾	949,000
Kansas Pacific 1st 6's...........	1895	1,436,000	F & A	111¼	June 7,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		805,000	......	110¾	Aug.30,'97	110¾	110	59,000
" 1st 6's..................	1896	1,990,000	J & D	115¼	Aug.18,'97	115¼	115¼	3,000
" eng.Tr.Co. cfs. ex mat cps		2,078,000	......	112	Aug.31,'97	112	110	58,000
" Denver div. assd. 6's..	1899	2,886,000	M & N	119¾	Aug.13,'97	119¾	119	23,000
" eng.Tr.Co. cfs. ex mat cps		3,051,000	......	113¾	Aug.31,'97	113	112	506,000
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	95	Aug.31,'97	95	82	2,785,000
Cent. Br. Un. Pac. f'd cpns 7's.	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's......	1905	4,070,000	Q F	34¾	Aug.16,'97	34¾	33	35,000
U.P., Lin. & Colo. 1st gtd g. 5's.	1918	4,480,000	A & O	36	Aug.11,'97	36	36	20,000
" Den.&Gulf 1st c. g.5's.	1939	15,801,000	J & D	45	Aug.31,'97	46¼	41⅛	1,215,000
Wabash R.R. Co., 1st gold 5's....	1939	31,664,000	M & N	107	Aug.31,'97	107⅛	106	163,000
" 2d mortgage gold 5's..	1939	14,000,000	F & A	79¾	Aug.31,'97	79¾	72⅛	563,000
" deben. mtg series A..	1939	3,500,000	J & J	....	....	....	....	....
" series B................	1939	25,740,000	J & J	29⅝	Aug.31,'97	30	26	156,000
" 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	98	Aug.27,'97	99	95	31,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's.................	1908	1,000,000	A & O	111	July 20,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's..	1937	10,000,000	J & J	106⅛	Aug.12,'97	106¾	106⅛	21,000
" gen g. 2-3-4's............	1943	10,000,000	A & O	48	Aug.23,'97	49	48	55,000
" inc. 5's..................	1943	10,000,000	Nov.	13	Aug.26,'97	13⅛	13	30,000
West Chic. St. 40 yr. 1st cur. 5's.	1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......	1936	6,031,000	M & N	102⅝	Aug.31,'97	102⅛	101	305,000
West Va. Cent'l & Pac. 1st g. 6's.	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's....	1926	1,265,000	A & O	85	July 30,'97	....	....	....
" Trust Co. certificates......		1,735,000	......	....	....	....	....	....
" Wheeling div. 1st g. 5's.	1928	1,500,000	J & J	90	July 21,'97	....	....	....
" exten. and imp. g. 5's...	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's....	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	36⅛	Aug.27,'97	36⅛	36⅛	10,000
" eng. Trust Co. certificates.		10,013,000	......	38	Aug.31,'97	39⅛	34	707,000
" income mortgage 5's...	1937	7,775,000	A & O	7⅛	Aug. 6,'97	7⅛	4⅛	6,000

UNITED STATES GOVERNMENT SECURITIES.

Name	Principal Due.	Amount.	Int'st Paid.	Year 1897. High.	Year 1897. Low.	August Sales. High.	August Sales. Low.	August Sales. Total.
United States 2's registered........	Opt'l	25,364,500	Q M	98⅛	98⅛	98⅛	98⅛	5,000
" 4's registered..............	1907	559,634,000	J A J&O	112¼	110⅝	112¼	112	11,000
" 4's coupon.................	1907		J A J&O	113⅛	111⅜	112⅛	112	22,000
" 4's registered..............	1925	162,315,400	Q F	125¾	120¼	125¾	125⅛	314,000
" 4's coupon.................	1925		Q F	126¾	120⅛	125¾	125	69,000
" 5's registered..............	1904	100,000,000	Q F	114⅝	113	113⅞	113⅛	7,000
" 5's coupon.................	1904		Q F	115	113	113⅞	113¼	55,000
" 6's currency.................	1898	29,904,952	J & J	103⅛	103⅛	....	....	......
" "	1899	14,004,560	J & J	107¾	106⅛	....	....	......
" 4's reg. cer. ind. (Cherokee)	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS.

NAME. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	August Sales. High.	August Sales. Low.	August Sales. Total.
American Cotton Oil deb. g. 8's..1900	3,068,000	Q F	108	Aug.25,'97	108	106⅛	32,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	2,000,000	M & S	86⅛	Aug.31,'97	86¾	81	160,000
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	....		....	....	....
Bost. Un.Gas tst ctfs s'k f'd g. 5's.1939	7,000,000	J & J	92	July 26,'97	....	....	....
B'klyn Union GasCo.1stcon.g.5's.1945	13,081,000	M & N	113¼	Aug.30,'97	115	113⅛	53,000
B'klyn Wharf & Wh. Co. 1st g. 5's.1945	17,500,000	F & A	101	Aug.31,'97	100½	98	97,000
Chic. Gas Lt & Coke 1st gtd g. 5's.1937	10,000,000	J & J	103¾	Aug.30,'97	104	103⅛	48,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's..1900	2,954,000	F & A	95	Aug. 2,'97	95	95	19,000
Colo. C'l & I'n Devel.Co. gtd g.5's.1909	700,000	J & J	98	July 12,'97	....	....	....
" Coupon off.................	....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's..........1919	1,043,000	M & N	106⅛	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..1943	2,021,000	F & A	80	May 27,'96	....	....	....
Columbus Gas Co., 1st g. 5's......1932	1,175,000	J & J	....		....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	} 11,500,000	Q & J	106⅛	Aug.19,'97	106⅛	106⅛	5,000
" registered....................		Q & J	106¾	July 12,'97	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's....1936	4,346,000	J & D	102	Aug.31,'97	102	102	15,000
Detroit Gas Co. 1st con. g. 5's....1918	2,000,000	F & A	92	Aug.31,'97	92⅛	87⅛	473,000
Edison Elec. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	112⅞	Aug.17,'97	113⅛	112⅛	44,000
" 1st con. g. 5's............1995	2,156,000	J & J	112	July 15,'97	....	....	....
" Brooklyn 1st g. 5's......1940	} 1,500,000	A & O	110½	Feb. 4,'97	....	....	....
" registered...................		A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.....							
" 1st con. g. 5's..........1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's.1905	2,000,000	J & J	106	June 25,'97	....	....	....
Erie Teleg. & Tel. col. tr. g s fd 5's.1926	1,000,000	J & J	....		....	....	....
General Electric Co. deb. g. 5's...1922	8,000,000	J & D	100	Aug.27,'97	100½	100	70,000
Grand Riv. Coal & Coke 1st g. 6's.1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st							
" g. 5's....................1915	1,225,000	F & A	92⅛	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.1931	1,728,000	M & S	111	Aug.23,'97	111	111	1,000
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's......1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's...........1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.							
" 1st g. 5's................1926	1,975,000	J & D	107	May 27,'97	....	....	....
" 2d g. 5's..................1926	1,000,000	J & D	80	May 4,'97	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	} 10,000,000	Q F	102¾	Aug.31,'97	103⅛	100	216,000
" small bonds................			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's....1919	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.1940	1,300,000	M & N	55	Aug.27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	} 2,000,000	M & N	103¼	Jan. 5,'92	....	....	....
" registered................		M & N					
Mich. Penins. Car Co. 1st g 5's...1942	2,000,000	M & S	85	June 5,'97	....	....	....
Mutual Union Tel. Skg. F. 6's....1911	1,957,000	M & N	111⅛	Aug.17,'97	111⅛	111⅛	8,000
Nat. Starch Mfg. Co., 1st g 6's...1920	3,837,000	J & J	107⅛	Aug.31,'97	107⅛	104	13,000
Newport News Shipbuilding & Dry Dock 5's............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
		......	....		....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....1904	1,250,000	J & J	107	May 18,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.1904	2,100,000	M & N	118	July 7,'97	....	....	....
" 2d 6's.....................1904	2,500,000	J & D	109	July 27,'97	....	....	....
" 1st con. g 6's............1943	4,900,000	A & O	115¼	Aug.26,'97	115⅛	114⅛	13,000
Peoria Water Co. g 6's......1889-1919	1,254,000	M & N	100	June 23,'93	....	....	....
Pleasant Valley Coal 1st g 6's....1920	590,800	M & N	106⅞	Oct. 14,'95	....	....	....
Procter & Gamble, 1st g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	AUGUST SALES. *High.*	AUGUST SALES. *Low.*	AUGUST SALES. *Total.*
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,955,000	F & A	68	Aug.31,'97	69⅛	66	180,000
" " inc. g. 5's.1946	7,500,000	......	17¾	Aug.30,'97	20	16	223,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,244,000	A & O	80	July 7,'97	....	....	....
{ " Bir. div. 1st con. 6's...1917	3,399,000	J & J	87	Aug.28,'97	87	83	160,000
{ Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's...1910	2,428,000	F & A	81⅛	Aug.16,'97	82	81	12,000
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	114	Aug.17,'97	114	113	24,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's....1933	3,805,500	M & N	103	Aug.25,'97	103	101	4,000
Western Union deb. 7's.....1875-1900	3,680,000	M & N	107	June 26,'96	....	....	....
" 7's, registered..........1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's......1884-1900	1,000,000	M & N	105⅛	July 7,'97	....	....	....
" registered..................		M & N	105	May 10,'97	....	....	....
" col. trust cur. 5's.......1938	8,502,000	J & J	108	Aug.31,'97	109	108	9,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

BANKERS' OBITUARY RECORD.

Abell.—Mellville B. Abell, who was at the head of the Abell Bond & Brokerage Co., Kansas City, Mo., died August 19. Mr. Abell was formerly engaged in banking at Mattoon, Ill. He was born at Bradenburg, Ky., in 1838.

Aldrich.—Wm. H. Aldrich, Vice-President of the Mechanics' Savings Bank, Fishkill-on-the-Hudson, N. Y., and a director in other banks, died July 26. He was extensively engaged in the brick-making industry.

Balch.—W. D. Balch, Vice-President of the First National Bank, Mason City, Iowa, died July 29.

Billings.—Charles O. Billings, ex-President of the Globe National Bank of Boston, died August 7, aged 65 years. Mr. Billings was successively clerk in the National Bank of Redemption, assistant bank examiner, and examiner. From this last place he was called to the management of the Globe National Bank, a place that he filled well for about ten years, retiring to private life in 1894.

Bean.—Aaron H. Bean, President of the Hamilton National Bank, of Boston, died Sept. 3. He was eighty-three years of age at the time of his death. His presidency of the bank dated from Jan. 14, 1883.

Bitner.—John R. Bitner, President of the Fulton National Bank, of Lancaster, Pa., and a well-known capitalist, died Aug. 29.

Barr.—Hugh Barr, President of the People's Bank, Washington, Ind., died recently at the age of eighty years. He left a very valuable estate.

Corning.—Erastus Corning, President of the Albany City National Bank, Albany, N. Y., and a well-known business man and philanthropist, died August 30. On the death of his father, in 1872, he became President of the bank and continued in the position until the present. He was also a director of the New York Central & Hudson River Railroad Co. Mr. Corning was seventy years of age at the time of his death.

Davidson.—Milon Davidson, Treasurer of the Windham County Savings Bank, Newfane, Vt., since 1874, died at Alexandria, South Dak., where he had gone on business, Aug. 24.

Dewing.—Hiram Dewing, senior member of the firm of H. Dewing & Son, brokers, New York city, died Aug. 12.

Dickey.—Charles D. Dickey, a member of the well-known banking firm of Brown Bros. & Co., New York city, died Aug. 18, aged seventy-nine years.

Foreman.—Gerhard Foreman, a well-known private banker, of high reputation, died at Chicago, Aug. 18.

Foster.—Isaac N. Foster, President of the Wayne County Savings Bank, of Honesdale, Pa., died Sept. 5, in his seventy-fourth year.

Griffin.—Charles H. Griffin, of the firm of Tillinghast & Griffin, stock brokers, New York city, died Aug. 7.

Gunther.—A. F. Gunther, President of the Fort Dodge (Iowa) National Bank, died August 23, at Baden, Germany.

Hay.—Jackson Hay, President of the Commercial Banking Co., Coshocton, Ohio, died Aug. 18, aged eighty-four years.

Hurd.—Hubert Hurd, Vice-President of the Cole Savings Bank, Fond du Lac, Wis., died July 22.

Maclay.—C. C. Maclay, President of the Bank of Tipton, Mo., died recently.

McKenney.—William McKenney, President of the Centreville National Bank of Maryland, died July 23 in the sixty-ninth year of his age. He was extensively engaged in farming and other business enterprises, and was a man of character and influence. In 1876 he assisted in organizing the above-mentioned bank, and had been its President from that date.

Pass.—Col. W. N. Pass, Vice-President of the Merchants' Bank, and a wealthy citizen of Grenada, Miss., died Aug. 5.

Perrigo.—Charles B. Perrigo, Assistant Cashier of the First National Bank, Bloomington, Ill., died August 7. His death was due to heart disease, and was sudden and unexpected. Mr. Perrigo was highly regarded in business circles. He was a native of New York, and was fifty-eight years of age at the time of his death.

Piper.—Samuel A. Piper, President of the First National Bank, Maysville, Ky.. died July 24, aged sixty-eight years.

Preston.—Geo. R. Preston, who was formerly President of the Hibernia National Bank, New Orleans, died August 16. Since 1893 he had resided in New York.

Price.—J. Sargeant Price, Vice-President of the Land Title and Trust Co., Philadelphia, died at Cape May, N. J., Aug. 16.

Read.—Wm. G. Read, Jr., a member of the firm of Read, Parsons & Co., New York city, shot himself fatally, on Aug. 9.

Robinson.—Everett Robinson, President of the Middleboro' (Mass.) Savings Bank, died Aug. 5. He had been a member of both branches of the State Legislature for several terms. He was born at North Middleboro' in 1816.

Rudolph.—Ernst B. Rudolph, Vice-President of the German Savings Bank, Baltimore, Md., died August 19.

Seligman.—David J. Seligman, a well-known New York city banker, died Aug. 27.

Spafford.—A. C. Spafford, President of the Third National Bank, Rockford, Ill., died August 22, aged seventy-three years.

Timpson.—Cornelius F. Timpson died at New Brighton, N. Y., Aug. 21. He was born in New York city sixty years ago. He was for some time the Cashier of the Continental Bank, and afterward became a partner in the banking firm of Charles J. Osborne & Co. He retired twenty years ago.

Wallace.—David Wallace, President of the Manayunk National Bank, Philadelphia, since 1882, died July 18. He had been a member of the Board of Education, a representative in the Legislature, and a member of the City Council.

Wells.—J. P. Wells, proprietor of the Bank of Rosalia, Wash., died Aug, 11.

THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. OCTOBER, 1897. VOLUME LV, No. 4.

THE BANK OF ENGLAND appears to be coquetting with international bimetallism. Early in September it was rumored in London financial circles that some action was proposed by the Bank looking towards keeping a larger amount of silver in its reserves. The Act of 1844 permits the Bank to keep twenty per cent. of the coin and bullion held in silver, but it has never been the policy of the Bank to avail itself of this privilege.

The issue department and the commercial department of the institution has each its separate system of accounts. In the statements of the issue department no silver bullion or coin appears among the reserves. In the commercial department the published statements show an item of gold and silver coin, not specifying the amount of each, although the silver coin is subsidiary and must therefore form a comparatively small amount of the item.

As Great Britain has the gold standard, there is no full legal-tender silver coin minted, and therefore the proposition to hold silver in the reserves must mean the holding of silver bullion in the reserves of the issue department and issuing notes against it at its market value. As the notes of the Bank form the principal part of the reserves of the commercial department, and as this department forms the bulwark of British financial institutions, it is easy to see how such a proposed change in the bullion reserves of the issue department excites great interest and even alarm.

On August 1, 1897, the amount of gold held by the Bank of England was £36,618,462, or about 183 millions of dollars. Of course, it was not known to what extent the Bank proposed to change from gold to silver, or even whether it proposed to substitute silver for a portion of its gold reserve, or to acquire it as additional to that gold reserve. But as the Bank could under the law hold twenty per cent. of its reserve in silver bullion as a basis for note issues, it might either substitute silver bullion of a gold market value of about thirty-seven millions of dollars for an equal amount of its present gold reserve, or it might retain its present gold reserve and add an amount of silver bullion of a market value equal to one-third of its gold reserve, that is about forty-six millions of dollars worth.

Of course if such a radical change of policy were intended it is not probable that the Bank would go to the utmost practical extreme at once. But the sensitive financial world and all those whose thoughts may be directed to the subject in order to forecast the consequences as far as possible, will naturally seek the outside limits to which the law would permit the Bank to go in this new direction.

It has been most natural in the comment heretofore made on this rumored new departure to treat the subject from a semi-political standpoint, as to its influence upon the efforts that are being made to secure an international agreement upon some common ratio for the free coinage of silver, and speculation has been rife as to what political motive is behind the action which gave rise to the report.

On September 16, the date of the semi-annual meeting of the directors of the Bank, the facts on which the report was founded came distinctly to light. At that meeting the Governor, Mr. HUGH C. SMITH, said:

"You are probably aware of the proposals laid before the Government in the summer by the United States and France, whereby this country might increase its use of silver as a contribution to an international agreement which, while not affecting our gold standard, might enable the mints of France and America to resume free coinage. *Among the proposals was one asking the Bank to hold the amount of silver permissible under the Act of 1844 as against its notes.*"

The Governor then read from a letter dated June 29, addressed to the Chancellor of the Exchequer, Sir MICHAEL HICKS-BEACH:

"*Referring to our conversation*, we beg to say the Bank is prepared to carry out what is laid down as permissible in the Bank charter, viz.: to hold one-fifth of the bullion held against its note issues in silver, provided always that the French mint is again open to the free coinage of silver, and that the price at which silver is procurable and salable is satisfactory."

The Governor also said that the Bank had had no negotiations with the monetary commissioners, and had bought no silver; all the Bank had done was to agree under certain circumstances to carry out what is permissible under the Act of 1844.

The italics have been inserted in the quotations for future reference.

It appears, therefore, that some time in May or June or thereabouts the Bank was approached by the Chancellor of the Exchequer with the view of learning whether there would be anything seriously in conflict with the policy of the institution under any circumstances in availing itself of the right granted by the Act of 1844 to issue notes against silver bullion. The mere sounding of the Bank of itself would not indicate that anything serious was intended. This might have been done at any time, but the fact that cotemporaneously "proposals" were laid before the Government by the United States and France, among which was the one that the Bank of England be asked to hold silver as a reserve, and also that the conversation between the Bank authority and the Chancellor of the Exchequer required a formal written answer, show that more has been going on than has been believed, although that something was on foot was portended by the nods and winks of the bimetallist press, and its allies, who also seemed to be bursting with suppressed information.

The reply of the Bank itself is of more importance than might at first sight appear. Although conveyed in the most cautious language, and containing one apparently impossible condition, yet it may imply that there is a possibility of agreement that the Bank will, if the French mint opens to free coinage, simultaneously purchase silver bullion for its note reserve, and there appears also something of a color that the business of the Bank might be benefited by this course.

All of this appears to tally very well with the announcement made by that distinguished bimetallist Prof. E. B. ANDREWS, who arrived from Europe in July, that "there is actually considerable prospect owing to the manifest strength of the bimetallic interest in America, that France will agree beforehand to open her mints to silver. If we re-open ours, even without such an agreement, France is certain to follow the United States. If France and the United States proceed, or either alone, Great Britain will heartily co-operate to the fullest possible extent short of coining full legal-tender silver at London,—the India mints will re-open, the Bank of England will lay in a silver reserve and, perhaps, half-sovereigns will be withdrawn in favor of silver certificates."

This whole announcement seemed very inexplicable at the time, especially as distinguished bimetallists have in the past cried wolf when there was no wolf so often. But in the light of the revelations of the Governor of the Bank of England it does really seem that there has been some sort of an agreement between authorized persons in France and England with the members of the United States monetary commission, Mr. WOLCOTT and his associates.

The statement of Prof. ANDREWS, that if France and the United States proceed, *or either alone*, Great Britain will co-operate, is borne out by the proviso in the Bank's letter as to the opening of the French mint.

The only remaining hitch appears to be who is to begin. If the United States begins, says Prof. ANDREWS, France will follow, and the whole programme will be carried out. Knock down the first block and the whole fabric moves. But it must still be doubted who will dare to begin. Not the United States, since the great expression of confidence in the gold standard by the popular vote last November. Nor does it appear more clearly how France can open her mints without guarantee of support.

So it all points to the conclusion that the point so far gained by the monetary commission is a fair prospect of some definite agreement when the international monetary conference is held. That is, that the proposed international conference when it meets will have something more definite before it than any previous monetary conference has had. The delegates from England, France and the United States, at least, will be prepared to come to a settlement of what each will agree to do provided the others will agree to do something.

It has been asserted that if the United States commissioners have made proposals to the British Government, they have exceeded their authority. But there is nothing to show this or that they have bound or could bind the United States to any proposal. The whole negotiation has been tentative and apparently practical. It has been a legitimate attempt to discover what each country approached might in the end be willing to do to attempt to settle the silver question. And it certainly seems that they have at least successfully paved the way for an international monetary conference that will be less barren of results than those which have preceded it.

In regard to committing the United States the commission has probably not gone further than to assert that if there was a prospect of any favorable action by Great Britain and France, the cause of international bimetallism in the United States would not be hopeless.

It remains to consider why at this time the Bank of England has expressed a willingness under any circumstances to revert to the use of silver bullion as a basis for note issues. The Bank is a private corporation. Its management are actuated by the motive of gaining the highest advantage for their stockholders. In profit-gaining they are more controlled than would be an institution without such public affiliations by considerations of the welfare of the public as affected by possible fluctuations in the credit of an institution upon which the financial world of Great Britain depends for support and guidance.

The lowering of the credit of the Bank of England or even any action that may in the least affect it, gives a shock to the whole financial fabric. The criticisms of the English papers, upon the correspondence between the Bank and the Government, show how extremely sensitive popular opinion is to any deviation from its usual course on the part of the Bank. "It is to be deeply deplored that the Bank has budged from its principle." "The United States has done nothing to make such a risky politeness to the silver men on our part popular in this country." "The whole scheme is innovating and mischievous. It seems to us wholly undesirable and even perilous to subject our monetary system to foreign influence through the Government." "If, as should have been done, the proposals of the United States and France had been handed to the directors without official recommendation or pressure, it can scarcely be doubted that the directors would have firmly declined to further the project." Such are the opinions of the London press. The Bank has also been notified by some of the stockholders that their stock will be sold if the silver policy is inaugurated.

But nevertheless it is possible to conceive that the management of the Bank have had pointed out to them that the use of silver bullion as a reserve for notes may have in it an element of profit to the institution, in the event of an international agreement by which the mints of France, to say nothing of the United States, are thrown open to silver coinage.

Under the law of 1844, the Bank can extend its note issues in the neighborhood of fifty millions of dollars on a basis of silver bullion. The purchase of so large an amount would surely send up the market price and the demands for free coinage at the mints of France and America would no doubt render the price stable for some time. So that as a mere speculation the chance of the Bank gaining would be very great.

The Governor's letter contains a second proviso that the prices at which silver is *procurable and salable* shall be satisfactory. Nothing is said as to how long this policy if adopted will be continued, and it is inconceivable that the Bank would bind itself to continue a policy of any kind after it was found to be disadvantageous.

When the Treasury of the United States under the laws of Congress entered on the policy of buying silver, it could not stop until those laws were amended or repealed. The Bank does not require a popular vote to change its policy. At an international conference the delegates of Great Britain, even if authorized to say that the Bank was willing to inaugurate a policy of buying silver, could give no assurance that the Bank might not stop buying at any time it saw fit.

In fact to enter into any agreement to open the mints of the United States or France to the free coinage of silver because of a promise that the Bank of England would buy and sell silver bullion whenever it found an advantage in it, would be a very unadvisable and even dangerous course. If the United States and France were so foolish as to enter upon free coinage while England only treated the metal as a commodity, the Bank of England would be placed in a position to control the whole market. By buying she could raise the price and by selling depress it, and thus control as she chose the exchanges of both France and the United States. If silver should become undervalued in relation to the adopted ratio, the silver coins would go out of circulation; if overvalued, gold coins would disappear. It might be in the power of the Bank of England to exercise constant control over the coinage of both France and the United States. These considerations could not be avowed either by the British Government or by the Bank as the real reason why they are willing to encourage the free coinage of silver by her two commercial rivals.

The British Government may argue as follows: Here are France and the United States both daft about bimetallism. They are ready to go into it, if we will only encourage the Bank to buy and sell a little silver bullion. We do not risk anything by consenting to do this, and if France and the United States are really such fools as they seem and do sincerely mean to enter upon free coinage, why should we forego the possible advantage we may gain by their foolish action.

It does not therefore seem that the Bank of England has done anything very foolish or dangerous, or that the British ministry has either, in making very guarded responses to the proposals of the United States and France. There is little reason for the apprehension of danger to the Bank manifested by the British press and commercial public.

The real danger is to the United States and France, if on the strength of these British responses to their proposal they should rush into free coinage.

THE CAMPAIGN OF EDUCATION in behalf of a sound currency and banking system to be undertaken by the American Bankers' Association gives promise of important results. In March, 1897, Mr. WM. C. CORNWELL, of the Executive Council of the Association, suggested to the council that a Bureau of Education should be formed, to educate the people as to the true functions of banks in a community, for the purpose of overcoming the unfounded prejudice against banks which is fostered and appealed to by demagogues whenever they run short of every other cause of vote-gathering agitation. Upon this suggestion the council appointed a committee of three. At the convention of the association in Detroit Mr. CORNWELL, the chairman of the committee, made a report recommending a plan. This plan involves the appointment of a general secretary by the committee, whose duties it will be to organize State committees subject to the central committee, and to secure for distribution facts that will enable the people to understand the usefulness of banking operations. These facts are to be disseminated in pamphlets and by the aid of speakers. The general secretary is to supervise the distribution of pamphlets, and to direct in a general way the speakers in the field, speaking himself as opportunity offers or the occasion requires. He is also to keep a record and to report to the general committee. The central committee is to bear the expense of printing and postage and salary of the secretary. The State or local committees are to meet the expense of distributing the literature and of the speakers. The local committees are to select the speakers for their own territory, but are to report all operations to the general secretary and to be under the supervision of the central committee. The report further recommended that this plan be gradually put in operation by the issue of pamphlets, the first of which has been prepared, the employment of speakers being undertaken by degrees as the operations of the plan develop. The report was adopted by the convention and the committee continued.

The work proposed to be done is one of great importance, not only to the banks, but to every other class in the community. It is also extremely appropriate that it should be undertaken and carried on by the banks and bankers of the country. For many years they have been the subjects of all kinds of unfounded aspersions as to their influence upon the general welfare of the people. They have been maligned and attacked in every possible way by demagogues, who sought to take advantage of the ignorance of the people on financial subjects to arouse prejudices. The possible usefulness of banking capital has been dwarfed and contracted. By the partial success of these attempts to render the business politically disreputable, the people have been deprived of the benefits that would accrue from a well organized banking system, tending to develop itself freely and beneficently under favorable conditions.

The popular prejudice against banks is in great part responsible for those faults and failures in the distribution of banking facilities that are the main points of attack for the enemies of banks. In the communities where the prejudice against banks has the least force, there the banks will be found to fulfill their functions more completely, and in localities where the prejudice against them is most bitter, they will be found to charge the public accordingly.

It is a natural law, of course, that where capital and credit are scanty the enjoyment of banking facilities will be curtailed. But this curtailment and repression is made worse than the mere natural laws governing the ebb and flow of banking capital would require, by the existence of the political prejudice against banks.

In the United States a vote has power regardless of the intelligence of the man who casts it.

For years the bankers of the country have applied in vain for legislation that would enable them to extend their business in a manner to properly stimulate the possible enterprise of the country.

Although from their education and intelligence and experience bankers as a class are more fitted than any other class in the community to give wise counsel as to the shaping of the financial laws of the country, their advice has not only been ignored, but derided and belittled.

But for the gradual lessening of their influence, and for the growth of the prejudice against them, bankers have in a measure been to blame. They have refused to act as a body to advance the financial interests of the country, and have shrunk back with apparent terror when their enemies falsely accused them of combining for their own protection. The hostility against them as a class has reached a point that the politicians of the country have not dared to encounter it, even where their intelligence told them of the lack of any real cause for it. To have it known that any financial plan was suggested or advocated by bankers is all that is necessary to condemn it in advance.

The banks have hitherto been content to remain quiet under these unjust opinions of their attitude toward the rest of the community, and by their silent and pusillanimous attitude have apparently acknowledged them to be true.

It is therefore high time that a bolder course of action should be adopted. Nor need this new course be one showing animosity or hostility. It is the right of every minority to become a majority by showing to its opponents the soundness of the reasoning upon which its views are based.

It may be assumed that the great majority of the voters of the United States will be sensible to reasonable appeals that will show them how their condition may be bettered, and there is no country in the world where the opportunities for individual improvement are better if properly availed of.

The bankers of the country have the same chance to place themselves before the people in the light that their real character entitles them to as any other class. But in common with all whose consciences do not accuse them of doing wrong to others, they have relied too much on the belief that their own knowledge of their good intentions would enter by some occult method into the consciousness of others. In private life, perhaps, where people are known to each other the good man does not need to go around and announce his goodness to others or to hire advocates to do so; but in public life, especially in so great a country as the United States, any class that wishes to have its character and relations to other classes rightly understood, must pursue the only methods by which this result can be accomplished.

In referring to the work of the Indianapolis Monetary Conference the MAGAZINE has always held that to accomplish its purposes the executive committee of that body must take in hand the task of educating and persuading and organizing the voters of the United States in the cause of sound finance in the same manner as the National Committees of the political parties of the country seek to win the majority of the people to their side. The work must begin from the ground up. Nothing is to be gained by besieging the doors of the Executive or by harassing Congress and its committees, until the people who really own both Congress and the Executive are won over.

The plan suggested by Mr. CORNWELL'S committee is in the direct line of the view taken by the MAGAZINE. Its object is to unite the bankers of the United States and direct all their influence toward combatting the prejudices which have done and are still doing so much harm to the financial welfare of the country. The organizations of the American Bankers' Association, and of the State bankers' associations, will afford an excellent foundation for this work.

Great as is the importance of that feature of the American Bankers' Association that extends protection to all its members, from the inroads of criminals, it seems to be of less importance than the plain necessity that the false estimate of banks and their operations which influence so many in the community should be removed. The operations of criminals cause losses to the banks alone that may be measured by thousands, but the losses arising from the inadequate and unequal extension of bank facilities, due to unwise laws, the retention of which is rendered possible by ignorance and prejudice, and which affect both the banks and the public, can only be measured by millions.

Where the American Bankers' Association spends a few thousand dollars for the arrest and punishment of criminals, that association and the State associations combined could afford to lay out ten or twenty times as much for the education of the people of the United States in regard to the true relations of the banks to the business men and people.

The work of the association mentioned in suppressing criminals not only benefits the banks but the whole community who are equally the game of these criminals. In the same way the establishment of a right understanding between banks and the people benefits the latter as much as it does the former.

Now that the plan of the committee of which Mr. CORNWELL is chairman has been approved and the work mapped out and ready to be carried on, it can be asserted with confidence that it is in the hands of men who will advance it with judgment and pertinacity. The magnitude of the scheme must not however be depreciated. It will be no light task to remove the masses of predjudice which for years have been piled up against the banks. The battle against ignorance and stupidity is always a difficult one, and it will require both energy and self-sacrifice to carry it through to a successful conclusion.

10/97

THE LATE JOHN JAY KNOX, in an address delivered at the annual dinner of the New York Chamber of Commerce in May, 1882, said:

"I expect not long hence to see in the newspapers of this city the advertisements of your eminent bankers for the purchase and sale of English consols and French rentes, and the public securities of other nations of the globe. The quotations of these funds in your commercial journals and their purchase and sale on your exchanges will be among the first indications that New York will contest with London the right to be the monetary center of the world."

This was fifteen years ago, and if the speaker had lived to the present time he would realize that his prophecy was still looking for its fulfilment. At the time it was made the public debt was rapidly being reduced and immense quantities of gold were coming to the United States. In the previous year the gold coinage of the country was the largest of any year in the history of the Government, and was estimated to have been greater than the coinage of ten of the other principal countries of the world. Everything looked fair for a financial development of the United States that would make her chief commercial city the arbiter of the money markets of the world. The credit of the country was high. The borrowing power of the Government, as shown by the prevailing prices of bonds, was higher than that of France and England at that time. The Act of 1878 authorizing the coinage of the silver dollar was in operation, but its dangerous effect in throwing doubt on the credit of American securities had not yet developed itself.

The prophecy was warranted at the time, and ere this might perhaps have been fulfilled had it not been for the slow but sure decadence of the credit of all securities, owing to the uncertainity resulting from the gradual injection into the circulation of immense quantities of silver, and to the increase of lawlessness throughout the country.

London is to-day the recognized commercial and financial center of the world, because of the concentration of wealth in the British Islands, because of the enforcement of law for the protection of property, and because of the strict adherence to an unvarying standard of value. The pound sterling is known all over the world as another name for a certain number of grains of pure gold. The possessors of wealth in all quarters of the world when they look for a safe place of deposit and investment are attracted to London as the locality where the safeguards are the strongest, and where the laws and customs on which the maintenance of wealth depends are least liable to change.

The United States, in natural resources and in the energy and industry of its population, possesses all the requisites for the production and accumulation of wealth second to that of no other civilized country. With such resources and such a population, there is no reason why New York should not very easily outstrip London as a financial center, if it were not for the disregard shown for one or two important factors to such successful rivalry.

Financial centers of the world have changed from time to time. What Venice once was London is to-day. The first requisite to the concentration of wealth in any place is law to protect and to make that wealth certain to its owners. Notwithstanding the other advantages of the United States, there is a certain laxity in the enforcement of laws that makes the retention of wealth more difficult and uncertain. This is seen most plainly in the uncertainty about the standard of value. If since the resumption of specie payments in 1879 it had been fixed beyond a peradventure that the dollar of the United States was a gold dollar, unchangeable in weight ; if there had been no agitation as to the substitution of the silver dollar for it, the variety and productiveness of American investments would have attracted the capital now piled up in countries where the standard of value insures confidence in its stability.

The resources of the United States are yet in the very beginning of their possible development.

There is still another obstacle to the full expansion of enterprise in this country, and that is the tendency to lawlessness which exists in very many sections of the country. No company, or private individual, that establishes a plant in some parts of our territory for the exploiting of mines or any other resource can be sure of protection even from the lawlessness of its own employees. Capital can never be certain that it will not be subjected to unjust taxation, rendering its use unprofitable. Notwithstanding the boasted intelligence and enlightment of the people, there are many parts of the country where the individual who goes for business purposes or for employment must look for protection in the conciliation of public sentiment toward himself, often by sacrifices which destroy any chance of success in his undertakings. He cannot be assured that the machinery of the law will guard him in the legitimate exercise of his free will in his own business, if such exercise of his undoubted rights is objected to by a majority of those he comes in contact with.

It is the outcome of an exaggerated idea of the advantages of local government that in many parts of the country almost entirely prevents the enforcement of laws which by their letter and spirit seem calculated to uphold the individual in the legitimate use of his own property.

The manifestations of this lawlessness are conspicuously seen in strikes and in lynchings. The disposition to disregard law, or for the individual or a number of combined individuals to take the law into their own hands, is constantly growing more and more manifest.

All of these tendencies are hostile to the quiet exercise of industry and the accumulation of wealth, and they are still more hostile to the inflow of capital to the localities where this lawlessness prevails.

But these manifestations among the people themselves are supplemented and carried out in public gatherings for political purposes, in legislatures and in Congress itself. There is in the legislative bodies a disposition to attack wealth rather than to foster and protect it. Local self-government, which when the people are intelligent and have been educated to regard the rights of others as the surest method to protect their own, degenerates as the ideas of the people in these respects degenerate, until local self-government turns into a clannish kind of socialism that attacks all who would come into the community from the outside, and finally into a species of local anarchy.

It is tendencies like these becoming too evident in too many sections of the country that give rise to much of the dissatisfaction that prevails and is ascribed to other causes. It is ascribed to the accumulation of wealth in the hands of the few, as is shown by the frequent assertion of demagogues that the rich are growing richer and the poor poorer. But the more the difficulties thrown in the way of the accumulation of capital by lawlessness and lack of protection, the greater the tendency to the aggregation of wealth that is accumulated into few hands. The individuals who are sufficiently endowed with the spirit of determination and courage to make head against the difficulties arising from a weak enforcement of law, are not so numerous as those who could thrive if the law protected every individual alike. The amount of wealth appears large just because it has thus been forced into fewer hands, but the aggregate is not so large as it would be if all citizens were enabled to peacefully develop their natural energies uninterrupted by the unlawful interference of others.

The uncertainty of the standard of value and the growing disregard of law are the two principal reasons for the depression of business in the United States. They keep outside capital from investment here, and they prevent the accumulation of capital by the free exercise of industrious habits according to the natural bent of the individual. The average man has to work if he works at all exactly in the line marked out by the majority of those around him. Certain modes of life are reputable and expedient in one community or locality and others are not. The bolder and leading spirits take advantage of these local prejudices, while the weaker ones sink under them. The theory of the American form of government is that every individual shall follow out his own free will so long as he does not materially interfere with others. But local self-government has reached a pass in many parts of the country that every man is more or less a mere puppet under the influence of local public opinion.

It is these influences which depress and keep down the productive wealth of the country. Many of them are disguised as great moral ideas and as such entitled to interfere with and repress the ideas of others. The cities and larger towns have to a certain extent freed themselves from these influences, but the population of cities and towns forms but a part of the population of the whole country.

The United States will never take the position that it might take among nations, in wealth and influence, until it overcomes the petty lawlessness which prevails within its borders. This disease of the commonwealth is perhaps like those bodily ailments of which the doctors say they must be worse before they can be better. By degrees people will in every part of the country begin to realize that the disregard of law has become unendurable, and will see that the need is not so much of enacting new laws as of enforcing those they have. When this time comes it will be easier both to secure support for intelligent schemes of finance and laws for fostering industry and protecting wealth. Then the financial center of the United States may easily become the financial center of the world.

THE GREAT EUROPEAN BANKS are always subjects of interest to American students of banking and finance. While these institutions are perhaps not adapted to our system of government, they possess many admirable features that may be profitably studied. In the powerful concentrations of capital which they represent there is a striking example of the wise use that may be made of large amounts of money under the direction of financial experts.

We do not see any indications of the evils which are supposed to be the concomitants of such vast aggregations of wealth, but on the other hand the tendency appears to be to extend accommodation to all who are deserving of credit, and at rates of interest that are on the average very low.

With the evolution of the banking business in this country we shall no doubt gain many of the advantages possessed by the great state banks of Europe, while preserving the independent system of banks which is more consonant with our form of government.

The Austro-Hungarian Bank and the steps recently taken to place that country on a gold basis are treated of in another part of this number in a most instructive way. Another article treating of one of the great banking systems of Europe is now being prepared by a European banker and financial writer for early publication in the MAGAZINE. This will be followed by others in the series, which has already included the banks of England, France, Germany, Switzerland and Austria-Hungary.

THE AMERICAN BANKERS' ASSOCIATION made a most important gain in membership during the past year, as shown by the report of the secretary made at the recent annual convention in Detroit. On September 1, 1896, the number of members was 2,196, and on August 10, 1897, the number was 2,813, a net increase of 617.

The report referred to shows two influences at work during the year, one to reduce and the other to increase the membership. The increase of dues which went into operation at the beginning of 1896 caused the withdrawal of 341 members, and a small number of banks dropped out by reason of failure or liquidation. On the other hand, owing to the increased advantages offered to members through the recently inaugurated protective system explained and impressed on the minds of the banks of the country by means of circulars sent out by the secretary, 982 banks joined the association.

The influence of the increase of dues is not likely to prove a lasting one. It has probably spent its force during the year, while the benefits of the protective system will recommend themselves more and more, and will probably in the end draw into the association the greater portion of the important banks of the country.

The increase of dues was authorized in 1895 at the convention held in Atlanta, to go into effect September 1, 1896. The former schedule of dues required a membership fee of $10 from banks with a capital of $100,000 and upwards and of $5 from banks with less capital than that named. The increase was rendered necessary by the extension of the work done in the protection of members from criminals—forgers, burglars, sneak thieves, etc.

For many years the protective feature of the constitution had been a dead letter, because of the aversion of the executive council to impose the tax on the members which it was thought would be necessary to meet the expense of protective operations on an efficient scale. The dues had in the inception of the association been made as light as possible, so as not to make them an obstacle to securing an extensive membership.

For the first eighteen years of its existence the work of the association was mainly directed to the discussion of subjects of importance to the banking and commercial interests of the country, to securing uniformity of action and feeling among banks. It is doubtful if the protective feature could have been successfully introduced in the earlier days of the association. There was much to prevent bankers from acting with unanimity that had to be overcome. The early efforts of the association were directed mainly to educating the bankers of the country to united action, and to dissipating the prejudices which had arisen out of a narrow conservative spirit developed in the days when every bank was more or less isolated in its interests. In this work the American Bankers' Association was at first assisted and at length to some extent superseded by the formation of State associations.

Great as were the real results of this cultivation of *esprit de corps* among bankers, these results accrued so gradually that they were difficult to point out except by comparisons of the state of things in the earlier with that in a later period. People do not appreciate the value of each one of a thousand short steps in advance, as much as they do one great effort of which the immediate result is at once perceived.

The formation of the State associations relieved the American Bankers' Association of much of this educational work, although they can never deprive it of the valuable monopoly of annually bringing together at its conventions bankers from all parts of the country and thus conferring the practical benefits to be derived from the personal acquaintances to be made in no other way. The central association will always be supreme in this respect.

But for a number of years there was undeniably a species of rivalry between the State associations and the American Bankers' Association, which had a serious effect on the membership and the revenues of the latter. This was recognized by degrees by the executive council, and various suggestions were made to render its work more conspicuously valuable to its members. The desideratum was to have a convincing reply to make to those bankers who, on being requested to become members, asked what actual and tangible benefit do we receive in return for the money we contribute when we pay our annual dues. Of all men bankers are accustomed to weigh the value of any service by the tangible return it brings in at once. This may be a fault, but it is the result of the habit of mind growing out of the nature of their business.

It was therefore difficult to reply to the question referred to with any pointedness. A history of the advance in general banking knowledge and in improvement of banking methods was a rather indefinite response. The little share of it that any one bank seemed to obtain in any one year did not seem to be worth five or ten dollars. Of course there were a large number of banks that recognized the steady work of the association, but it did not take sufficient hold on the class of banks from which increase of membership must be obtained, if at all.

One suggestion for a new line of work was to offer prizes for the best examinations sustained by those looking for clerical positions in banks. This was modelled on the examinations of a similar nature undertaken by the Institute of Bankers in London, England. This plan was not likely to succeed, as the American Bankers' Association was not in a position to offer any paying positions to the competitors in these examinations, not even to those who won the prizes.

Another suggestion, upon which the association incurred considerable outlay, was a plan to investigate and report upon the facilities afforded in special schools and institutions for the education of youth for a business or commercial career. Prof. JANES was sent to Europe at the expense of the association, and made an elaborate report which was sent to every bank and banker in the United States. But useful in an abstract sense as this investigation and report may have been, it did not recommend itself as a reply to the bankers who asked what good will the association do us if we join it? Five or ten dollars seemed a big price to pay for a report, even though voluminous, on the commercial schools of Europe. In fact the membership did not increase under this kind of work, valuable though it was.

Finally it was suggested by Mr. VAN ALLEN, of Albany, N. Y., that the feature of the constitution requiring an effort on the part of the association to protect its members against criminals should be brought into more prominent relief. After several tentative efforts, the present plan was finally adopted by the executive council in 1894. The plan consisted in employing a reputable detective agency, the active prosecution of offenders, the keeping of a record of offenses, and a compilation of descriptions of criminals.

The United States, with its great territory and its numerous isolated and independent banks with no particular bond of union among them, has always afforded a congenial habitat for the bank forger, sneak thief and burglar. When any small bank became the victim the expense of the pursuit of offenders and of putting legal machinery in operation made attempts to recover money or punish forgers and robbers almost hopeless. As long as forgers were moderate in their demands on the banks they selected as victims, they could draw with almost as much security as legitimate customers. It was only when the amounts were very great, or where a very powerful bank was made the subject of attack, or when murder in addition to robbery excited the public mind, that really energetic steps were taken to capture and punish the criminals. Even large institutions when robbed, either violently by burglary or by the finesse of forgery, were willing to let the criminal live in peace if he disgorged a portion of his plunder. Such a state of things was very unpleasant to all concerned except the forger or the burglar, and these last in a congenial environment throve and increased in numbers. The only enemies criminals of this class had to fear were the United States Government and the express companies.

The action of the American Bankers' Association has shown how easy it was by taking proper steps to repress these depredators. In three years since the energetic plan of dealing with crime has been in operation forty-five forgers have been convicted and sentenced and six sneak thieves and nine burglars. The whole expense for the three years has been $37,227.42, or a little over $12,000 per annum.

The report of the protective committee shows that during the last year no member has lost a dollar by burglary, and that every professional forger or check-raiser who has attacked a member of the association has been arrested and has or will be punished.

The expenses have not increased as was feared when the system was adopted. In fact they will tend to diminish as time goes on because the active and persistent prosecution kept up will necessarily in the end become almost preventive. Criminals already avoid the banks which they know to be members of the association and confine themselves to less dangerous game.

The results of this energetic enforcement of the protective feature of the constitution of the association recommend themselves at once to any bank. When now the question is asked by the bank solicited to become a member, what good will the association do our institution, the reply is, for your ten, fifteen, twenty or thirty dollars per year you are insured the most complete protection from burglars and forgers. This answer is conclusive to the bank that watches most narrowly the positive and immediate gain derived from the expenditure of each particular dollar.

In addition by becoming a member a bank receives its share in the no less positive but less definable benefits of the association.

There are in the neighborhood of 12,000 banks and banking offices in the United States, each of which needs this protection just as much as the 2,800 banks that now form the membership of the association. The smaller banks and banking offices need it more in proportion than the larger institutions. At Atlanta, when some question arose as to the amount to be paid by the small banks for this protection, Mr.

FINLEY put the position of the smaller banks in regard to it in the proper light: "Who will receive," he asked, "the greatest benefit from this protective fund? Is it the large bank with a million dollars capital, or is it the weak country bank that needs the help that can come from this protective feature? Let us consider whether this is in favor of the weak bank or the strong bank. For my own part, I think if there is a provision in the constitution that is for the interest of the weak bank, it is this one. I think this is directly in the interest of the smaller banks and I think they will see it. * * * I believe in making the association strong, and when it shall become known that there is a power at the head of this association which will protect the smaller banks from the depredations of criminals, it will attract to the association the smaller banks instead of driving them from it."

This was the opinion of a representative of the small banks, and it has been borne out by the increase in the membership during the past year. The banks which remain outside of the association also expose themselves to increased risk by doing so, for as the number of the unprotected banks is reduced the risk of attack to each one is increased.

As the annual expense of protection has by the experience of three years become virtually settled, it is probable that when all or the greater portion of the banks in the country become members, that the association can reduce the membership fee and yet have ample funds in hand for all purposes.

The success of the association in the field of protection indicates what power it will have with its increasing membership, in any line that meets the practical wants of its members.

There is reason to believe that if the energies of the association were directed to a settlement of the currency question in a way suitable to accomplish the end in view, as they have been sensibly and practically directed to the suppression of criminals, that the result would show that bankers have greatly underrated their power.

The life of Mr. GEORGE HAGUE, Manager of the Merchants' Bank of Canada, in the September number of the MAGAZINE, refers to what has been accomplished in this line in the Dominion:

"Perhaps the most efficient service Mr. HAGUE has rendered his adopted country * * * has been his assistance in placing the Canadian system of bank currency on a basis which is admitted to be perfectly suited to the needs of the country. * * * Parliamentary inclinations had frequently to be combated, and currency theorists conquered."

Why should not the American Bankers' Association be able to combat congressional inclinations and currency theorists in this country as well as has been done by the Canadian Bankers' Association under Mr. HAGUE'S wise leadership in the Dominion.

*THE CAUSES OF THE FALL IN PRICES SINCE 1872.

Inasmuch as in the discussion of changes in prices there has been much misunderstanding arising from the use of words in different meanings, it seems wise to explain the sense in which some common terms will be used in this paper.

"Price" will mean value expressed in terms of current money. A fall in prices therefore means simply that less money than formerly is needed to buy a fixed quantity of goods. "Money has appreciated in value" means the same. "Money has depreciated in value" and "There has been a rise in prices," may be used as equivalent expressions. In this paper the use of the words appreciate and depreciate does not call attention to the cause of the changes in prices, as has been the case in many of our late political discussions in which the expression "Gold has appreciated in value" has meant that gold will buy more goods than would have been the case had silver not been demonetized; while those who denied the appreciation of gold have not intended to deny a fall in general prices, but have wished merely to assert that the cause lay in phenomena primarily affecting goods instead of money.

It should be kept clearly in mind that a change in price may be brought about by changing conditions that affect either money or commodities. We are so accustomed to naming prices in terms of money that sometimes we may forget that the money standard itself may change in value. If to-day five bushels of oats are worth two bushels of wheat and in a month from now six bushels of oats are worth two bushels of wheat, anyone would recognize the fact that the change in the price of oats in terms of wheat may have come about through changed conditions affecting the value of either oats or wheat. It is essential that one keep the fact in mind that market price expresses merely the ratio between the generally recognized desirability at a certain time of a dollar in whatever standard the laws may have decreed and the generally recognized desirability of the article bought or sold. Anything that affects the desirability of either the article or the dollar will change the ratio and the price will either rise or fall.

If, then, we assume that there has been a fall in general prices—and this is assumed in the subject of this paper—we know that the cause must be either one operating on money, that has made money more desirable as compared with fixed quantities of most goods than it was before, or the cause or causes must be general, affecting practically all goods that come into the market, making them less desirable as compared with money than they were before; or both causes may be at work at the same time.

In my judgment we are most likely to agree upon the probable causes of

* By the Professor of Political Science in Cornell University. Originally delivered before the Fourth Annual Convention of the New York State Bankers' Association, Saratoga Springs, July 16, 1897; especially revised by the author for publication in the BANKERS' MAGAZINE.

The diagram illustrating the address, presented herewith, has also been especially prepared by Professor Jenks for publication in the MAGAZINE.

the late fall in prices if we trace as carefully as possible the course of general prices over a long period of time, note when they have risen or fallen, and see whether we can at different times find conditions affecting either on the one hand the money supply or efficiency of money, or, on the other, affecting the whole business world in such a way as to control the supply of nearly all commodities, and thus to raise or lower general prices. Party bias may be removed by considering the matter historically.

The only practicable way to discover the course of general prices with any approach to accuracy is by the employment of index numbers. By finding from year to year or from month to month for a period of years the price of each one of a large number of typical commodities, it becomes possible by the addition of these prices or by the reduction of them all to some common basis to find an average number that will represent the general price of all the commodities, the minor and contradictory fluctuations of the separate commodities being eliminated by counteracting one another. The index numbers of "The Economist," of Sauerbeck, of Jevons, of Soetbeer, of the United States Senate Finance Committee, have all been criticised adversely many times, and there can be no doubt that valid criticisms can be made against them all; but it is a striking fact that, though they embrace to a certain extent different commodities, and though the index numbers have been found even by different methods of mathematical calculation, yet they all agree substantially as regards the course of general prices. Where they differ, the difference can usually be explained by some local condition; *e. g.* during our Civil War, when "The Economist's" index number increases much more rapidly than do any of the others, it is clearly due to the fact that in that list cotton is given a much larger proportionate share than in any of the others, and cotton in England at that time was naturally very dear. Even David A. Wells,* writing in hostile criticism of the index numbers, reaches substantially the same conclusion regarding the fact of a fall in general prices, and he reaches the conclusion by substantially the same methods as those of Soetbeer and Sauerbeck; and Schoenhof in his book on "Money and Prices," † while ridiculing the whole system of index numbers because the "violent price variations" of individual articles offset one another (apparently not understanding that just therein lies the value of the index numbers), still says: "Now it cannot be denied that during the last forty years we have lived through high-price periods and low-price periods. The high-price periods show a higher total in the index numbers than the low-price periods, though the variations are not less marked." The essential thing is that even he agrees that the index numbers do show the course of general prices, though he naturally denies many of the conclusions often drawn therefrom.

One needs to distinguish carefully general prices from prices of individual articles. The causes of changes in individual prices are of course as various as the articles themselves; and it is absurd to attempt to draw any general conclusion, as, for example, to determine any change in the value of the monetary standard, by the price of any one article for a short time. The causes are any influences that bring about a change in supply or demand, from an unusually large crop or the break-down of a pool or monopoly on the one side, to the stimulus of holiday time or the failure of the crops abroad, or the

* "Recent Economic Changes," p. 122. † p. 11.

introduction of a new fashion on the other. Yet even in individual prices we can recognize a susceptibility on the part of some goods to changes in demand, on the part of others to changes in supply.* In general the world demand for food products—wheat, oats, meats—is relatively steady. Most fluctuations in prices of such products come from changes in supply. The supply may be affected temporarily, as by a failure in crops, or permanently, as by improved methods of production including transportation. It should be borne in mind that the commodities used in finding index numbers are largely those whose temporary changes in price depend mainly upon changes in supply. In the case of products suitable for permanent investment, on the other hand—stocks, bonds, land, manufacturing establishments—changes in price come mainly from changes in demand.

This shifting in demand for investments is likely often to depend upon causes so general in their nature that general prices are materially changed. Inspection of our diagram of index numbers shows at more or less regular intervals waves, as it were, of commercial feeling which in times of doubt and despondency—as seen after the panic years of 1809, '18, '25, '39, '57, '66, '73, '83, '93—sink to a lower level, gradually to flow again in times of increasing confidence and prosperity to higher levels. The causes of these recurring panics, which so affect especially investments, followed by periods of recovering hope and confidence which lead in turn to rashness, over-speculation and finally failure again, are perhaps to be found chiefly in the weakness of human nature toward speculation and the hypnotic influence of human association, the opportunity for the panic being afforded by the modern system of credit transactions. Back still further some think may be obscure forces of nature that determine at regularly recurrent intervals atmospheric or meteoric changes which bring about failure of crops or other industrial change which affects the business world unfavorably; but into that discussion we need not enter.

Underlying these temporary changes which affect individual prices; underlying even these changes in general prices that seem to move in about decennial cycles of panic and hope, the diagram shows us a substratum of changes more general still, great waves covering a score or more of years, and bearing the panic fluctuations on their surface like mere ripples. Note especially the two periods, 1790–1850 and 1850–1896. It is particularly these general changes which we consider.

To explain the great general fall shown to have been almost continuous since the early seventies, let us first consider briefly like changes in earlier periods of history. It must be understood that exact knowledge regarding the earlier periods is scanty. Until the present century there are no records which have been kept in sufficient detail so that one can speak with accuracy regarding minor fluctuations in prices; but enough facts are known so that all authorities are practically agreed regarding some great revolutionary changes, as well as regarding their causes.

For example, the great plague in England in 1349 probably at least doubled prices of manufactured articles and largely raised permanently general prices, owing to the destruction of so large a proportion of the laborers (some estimate that nearly half the population died), and to the consequent

* Jevons, "Investigations in Currency and Finance," p. 27.

scarcity of goods and increased cost of production without a corresponding decrease in the demand. Wages were raised in about like proportion and permanently remained much higher than before. The cause in this instance was from the side of goods, not that of money.*

The discovery of America and the route to India via the Cape of Good Hope stimulated business and enterprise to an unparalleled degree. The discovery of the gold and silver mines in America, especially the remarkable silver mines at Potosí (1546) poured into the commerce of Spain, whence it was gradually diffused through Europe, a great quantity of money metal, which, though it was much used in the arts and partly hoarded and partly sent to the East, still served much more than before to effect exchanges in the market. None of the figures given are more than estimates ; and those regarding the quantity of money in existence before this great output are not even trustworthy estimates ; but we know that the amount was very large, and it is not improbable that even if Jacob's estimate that by the close of the sixteenth century the total stock of gold and silver amounted to five times as much as at the discovery of America, is too high, Price's suggestion that the amount had been trebled or even quadrupled † is not extravagant. ‡

Years.	Annual Average for Period. Gold.	Silver.*	Years.	Annual Average for Period. Gold.	Silver.*
1493-1520	$3,855,000	$1,954,000	1661-1680	$6,154,000	$14,008,000
1521-1544	4,759,000	3,749,000	1681-1700	7,154,000	14,212,000
1545-1560	5,656,000	12,952,000	1701-1720	8,520,000	14,781,000
1561-1580	4,546,000	12,450,000	1721-1740	12,681,000	17,924,000
1581-1600	4,905,000	17,413,000	1741-1760	16,356,000	22,162,000
1601-1620	5,662,000	17,579,000	1761-1780	13,761,000	27,133,000
1621-1640	5,516,000	16,361,000	1781-1800	11,823,000	36,540,000
1641-1630	5,828,000	15,226,000			

* Coining value.

But whatever the proportion may have been, certain it is that prices rose, and that all the authorities think that the increase of the money supply was the cause. Throughout Europe the effect was revolutionary. § The most conservative writers like Helferich, estimate the rise in general prices at 150 per cent. ; some put it at 400 per cent. to 600 per cent. The conservative, careful writers are generally content with saying that the rise was at least 200 per cent. from this cause alone. Nasse sums up the matter by saying : "Since Jean Bodin no one has raised a serious well-founded doubt that the cause lay in the American silver production."

Aside from this cause another one connected with money is noticed in many places—the debasement of the coin. In England Henry VIII especially had sinned in this regard—as in so many others—and though Elizabeth made an heroic effort to restore the coin and undo the evil, it could not be

* Thorold Rogers, "Six Centuries of Work and Wages," pp. 219-242. Rogers, "History of Agriculture and Prices in England, Vol. I. pp. 60, 265. Stubbs, "Constitutional History of England," II. 398, ff. F. A. Gasquet, "The Great Pestilence," Ch. X.

† Price, "Money and Its Relation to Prices," p. 79.

‡ Production of the precious metals from discovery of America to 1800, according to Soetbeer. Taken from circular No. 123 of the Secretary of the Treasury, 1896.

§ Schonberg, "Handbuch der Politichen Oekonomie," VII, viii, sec. 14. Cf. Smith, "Wealth of Nations," I, Ch. 11. Cunningham and McArthur, "Outlines of English Industrial History," pp. 142-145 done. The effect, a sudden increase in prices with no corresponding increase in wages, was very severe upon the working classes. The increase in prices from 200 to 300 per cent. between 1541 and 1582, Rogers in his monumental work, "History of Agriculture and Prices in England," ascribes almost solely to this cause; but even he estimates a rise of nearly 200 per cent. due to the inflow of silver during the one hundred years following this time.*

Here, then, seem to be two great changes in prices due to causes affecting money; one debasing the quality, the other increasiug the quantity. It should be borne in mind that the influence on prices of an increase of the supply of gold and silver would be much greater three hundred years ago than now, for two reasons: (1) Substitutes can now be more readily found. (2) A greater quantity is in circulation. An amount that would double the money supply then would be only a small percentage of the present supply.

So far as records go, there seems not to have been another change in prices that can be considered revolutionary until the present century. Doubtless there were minor fluctuations of considerable extent, but no great change until the latter part of the eighteenth century.

Our diagram, beginning with 1782, the earliest time for which a regular index number from many prices can be had, shows the four great changes in prices between the latter part of the preceding century and the present time. From 1789 to 1809 general prices rose to the highest point known. From 1809 to 1849 prices fell more than they had risen, to the lowest point known since Elizabeth's day. From 1849 to 1873 prices rose again steadily but rapidly till above the level of the preceding centuries, though not so high as in the first quarter of this century. Since 1873 they have fallen again till they are now lower than even in 1849.

An attempt to note the conditions under which these many changes in prices shown by detailed statistics took place—even a cursory inspection of the diagram—gives one immediately an idea of the complexity of economic causes, and shows how inadequate is likely to be any theory that accounts for general industrial changes by one single factor. Surely no one factor can account for this multitude of changes which the statistics show have taken place. Had there been kept in earlier times detailed statistics of prices we should probably have seen similar minor fluctuations, instead of merely the great changes mentioned.

The latter part of the preceding century and the early part of the present one have been characterized as the time of the Industrial Revolution. The great inventions of the steam engine, the power loom, the cotton gin and others, were rapidly shifting manufacturing industry from the home to the factory. Beyond doubt, these changes tended to encourage enterprise until it became reckless speculation. There were crises more or less severe in 1783, 1793, 1805; but back of all we have a long-continued rise in prices of fifty-seven points, culminating in 1809, followed by an even more striking fall of ninety-three points. The regular effect of the increased output from the new and cheaper methods of production of goods, with no corresponding improvements in mining and increase of the money metals, would be to lower prices,

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* Thorold Rogers, "History of Agriculture and Prices in England," IV, 736; V, pp. VI, 1, 779 ff. Cf. Cunningham as above.

and we may fairly say that these improvements in production of goods did aid in accelerating the fall after 1809. But these influences were at work with almost or quite equal force in the decade before 1809, yet they seem to have produced no effect.

There must have been therefore some other causes. The war with France from 1793, continuing most of the time till 1815, probably had a speculative effect at times, both in raising and lowering prices, and the war doubtless checked at times the supply from imports; but these causes were temporary, and no authority thus accounts for the great continuous elevation and decline. Tooke lays great stress upon the unusual years affecting the crops, and this cause probably had influence in raising and lowering prices; but timber, oils, etc., show greater changes in prices than do food products.

To these causes—and apparently one of considerable potency—must be added the changes in the money supply and in its use. From the middle of the eighteenth century there had been a noteworthy increase in the output of both gold and silver, which in the twenty years from 1780 to 1800 amounted each year to 36 per cent. more than the annual output from 1720 to 1740, while the ten years from 1800 to 1810 show an increase of more than 40 per cent. over the output for the years named. This steady increase, rapidly accelerated in the last decade, was now followed in the next by a decrease of about 40 per cent., and the output kept low until the gold discoveries in 1849. Paper money inflation in England had also doubtless tended to encourage speculation and expansion of credit, and also somewhat to free gold and silver and thus to keep up prices, even gold prices. This money was withdrawn and gold substituted to keep all at par soon after 1820. When all of the factors that can be found are considered, this one of the increase and then of the decrease of the gold and silver supply, with at the same time first a lessened demand on account of paper money, then an increased demand for coin to redeem it, seems to fit closely the course of general prices, and to be a potent cause of the foundation changes, though other causes, especially speculation and distrust, doubtless continued and were influential in producing minor changes.

The prices shown in the diagram are English prices. We must keep in mind in considering later changes that to-day prices of staples are—when tariffs are reckoned with—substantially equal the world over, and are fixed in the world market. Wheat, corn, iron, cotton, wool, are for world consumption; and methods of transportation are so complete that no market is isolated. The goods supply then, as well as the money supply under consideration, must be the world's stock much more than formerly. On the other hand, railway stocks, city bonds, manufacturing establishments, etc., whose values are rather fixed by the demand, have their values fixed more by local conditions.

To illustrate more clearly this point, compare for a moment the conditions affecting prices of wheat and potatoes in the United States during the years 1892–95, with those affecting the prices of city and railway bonds, or even of real estate. The questions of the gold standard, of the probable actions of Congress and State legislatures regarding taxation and the collection of debts, the general outlook of business—practically all local in their nature and all affecting conditions of credits—were the chief elements in fixing the temporary prices of the investments; the crops, determining the supplies in the world's markets were what fixed the prices of food supplies. The question of the standard, so far as it affected credit, had practically no effect. The gradual slow changes underlying the temporary fluctuations—if produced by changes in the money supply without disturbing credit—would affect both classes of products alike; if produced by improved methods of production, new inventions, etc., ought to affect both classes similarly also, but the class of permanent investments least, and only as the rate of interest and profits falls with increased productivity.

There had been two or three rallies in the depressing fall of prices from 1809 to 1849; but in each case the upward tendency has lasted only four or five years at the most, when the influence of improved methods of production and the continual demands of an increasing industrial growth, together with the small output of gold, turned the course of prices again downward. But in 1849 came a change; prices rose rapidly, and though speculative crises in '52, '58-9 and '66 lowered them somewhat, the general trend was rapidly upward till 1873-4. These prices, too, are not merely English prices, as those before given; but German, English and American prices all agree in this general course. The causes are clearly world-wide in influence. The great temporary fluctuations in even gold prices in the United States from 1861-'66 we may fairly ascribe to the effects of our Civil War. The rise in English prices at the same time is partly due to the influence of the war on the price of cotton; the added demand in the United States caused by the destruction of the war itself must be kept in mind; but the chief cause of the steady rise for nearly a quarter of a century was, in the opinion of most people, due to the great increase in the stock of gold from the mines of the United States and Australia. And the amount was sufficient to justify the belief. In the five years 1851-55 about as much gold was produced as in all the forty years preceding ($662,556,000). After some ten years the output declined somewhat, not reaching again the output of '56-60 till 1892. Against the influence of the increase in the money supply were naturally the great improvements in the methods of production—the railroad, the telegraph, the steamboat had all begun to make their influence felt toward the lowering of prices; improved methods of exchange through banks and the clearing-houses had already been found; even large quantities of the gold were sent to the East; but against all these forces, which proved controlling before 1849, prices rose. Giffen, perhaps the ablest English opponent of bimetallism, believes the new gold supply to be practically the only and the efficient cause of the rise of prices. Schoenhof seems opposed to the idea and ascribes the rise in English and German prices to the effect of the Crimean War and that of the Rebellion, before 1866, and thereafter to "the inflation and speculation left over from the American war," and also to that "from the Franco-German War of 1870, with the intense commercial and industrial activity following the destruction of property in France and the gift of the Pandora box of five milliards to Germany." Surely so great a result, so world-wide and lasting, was never before ascribed solely to such a cause, though these causes doubtless had effect in the direction indicated; war, however, has not so continuous an effect in the same direction. As Mr. Schoenhof (though acknowledging that paper inflation, on account of the lack of confidence accompanying it, will often raise prices) sets out in his book with the express purpose of proving that "prices of commodities move in obedience to natural and inherent causes, independent of circulating money quantities," he is compelled to emphasize the effect of these wars. I give less weight to Mr. Schoenhof's opinion also, because in some cases he fails to understand—I cannot believe that he would wilfully misrepresent—the position of those who think that the money supply is an important factor in the fixing of prices.

It is but fair, however, to say that in my judgment the diagram exaggerates somewhat the rise of prices, because the articles used in making the index number are chiefly those not manufactured, and those which, other things being equal, tend to grow dearer with increasing density of population. *e. g.* food products. For the same reason it must be recognized that the real fall in prices since 1873 is somewhat greater than is represented, as the greatest fall would naturally be in the more highly developed industries. We should expect the price of watches as time passes to decline more than that of wheat; but the diagram represents wheat rather than watches.

To consider now especially the causes of the fall in prices since 1873, and especially the fall in the United States. Heretofore we have seen clearly that the causes of changes in general prices have twice at least been primarily connected with money; but that once the cause was almost, if not entirely, independent of that, and that often other causes were contributory, especially for short periods.

We may note at first some causes not connected with the money supply.

1. Everyone recognizes the fairly tremendous improvements that have been made in methods of production—the lessened freight rates that come with through routes; the vast saving in expense from steam vessels as compared with sailing; that from the telephone; that from the concentration of industry; and these doubtless all tend strongly toward lowering prices. That they cannot account for all the change seems to be shown by the fact that no sudden change in these methods came in '71 or '72. Most of them were in active operation during the period from '50 to '72 when prices were rapidly rising. Giffen* says "There is no reason to suppose that the multiplication of commodities relatively to the previous production has proceeded at a greater rate (or rather at a much greater rate) since 1873 than in the twenty years before that." Prices have fallen more rapidly probably on account of these improvements. They are not the only causes.

2. A special cause for the fall of prices of agricultural products in the United States is to be noted. When our great tracts of fertile land were opened up for settlement almost free of charge under the homestead laws, and our railroads had furnished a method of getting grain to the seaboard, our prairie States had almost a monopoly of the imported grain for the supply of the European markets. No other country could compete on equal terms. Of late, however, the Argentine Republic and Brazil, India and Russia under the influence of the development of the last twenty years, have come in as rivals, and our farmers must now fight for the markets which they were formerly besought to supply. Those halcyon days of the western farmer's monopoly of the European market are gone, though of course failure of crops elsewhere may aid them at special times, as now.

* "Essays in Finance," second series, p. 27.

3. If falling prices are accompanied by hard times, as is often the case, so that the number of the unemployed is greatly increased, the lessened demand for goods would tend still further to lower prices. It is probable that this cause has been noticeable for the last six years.

4. To turn next to causes connected directly with the money supply. After 1860 the supplies of gold from the new mines began gradually to lessen, and though no great falling off ensued, the check in supply was enough at least to lessen somewhat the upward rush of prices.

5. The increased demand for the use of gold in the arts must be mentioned as a minor factor in lowering prices. There will always of course be a competition for gold for different uses. It is difficult to estimate this one accurately, since most countries keep no distinct record. To this use Soetbeer adds, properly for our purpose, the flow of gold to the East, as that is a non-monetary use for gold-using countries. In the decade 1871–80, he estimates the non-monetary use to have been 55 per cent. of the annual production ; from 1880 to 1885 over 75 per cent. Within the last years, since there has been so decided an increase in the output from the mines, the proportion has fallen, though the amount used in the arts seems to be as large. Professor Lexis, writing in 1896 * puts the use in the arts for 1894 at $55,000,000 ; the export to the East at some $7,500,000. This makes in round numbers more than 34 per cent. of the annual supply still used for non-monetary purposes, a most important factor, though no longer so significant as when the output was smaller.

6. Add to these causes the far more influential factor of the new monetary demands on the gold supply. During our Civil War, by the use of paper, we had let loose gold which aided in the general rise of world prices. After 1875, we began calling again for gold to resume specie payments, *i. e.* we gave new work to the world's supply. From 1878 on we coined annually from $40,000,000 to $75,000,000, and in three or four years from $90,000,000 to $125,000,000, instead of from $18,000,000 to $33,000,000 as before. Moreover, till well into the eighties the coinage of gold surpassed that of silver by large amounts. Since then, even, the difference in favor of silver has been large only in two years.

Besides this new demand on gold of some $500,000,000 within a very few years on the part of the United States, Germany in 1871–3 decided to adopt the gold standard and at the same time to reform her banking system. She began sale of her silver on the market (some $150,000,000) and she demanded within the decade over $400,000,000 in gold.

In the years following 1850 when gold was plenty and relatively cheap, France being on the bimetallic standard naturally accumulated gold and exported her silver. The sale of silver and the preference for gold by Germany lowered its price as compared with gold. France therefore, finding cheap silver sent to her mints to be coined to take the place of her gold, and wishing to hold her stock of the money used chiefly by the most highly civilized nations, found it necessary to stop the free coinage of silver and to coin only on government account. The rest of the Latin Union joined her. This put a check on the use of silver and naturally hindered the use of French gold to meet cheaply the demand of other countries.

* "Conrad's Jahrbücher für National-Ökonomie und Statistik," vol. 66, p. 532.

Denmark, Norway and Sweden also soon changed their coinage to gold, as did also Holland in 1876; later Austria and Russia and now Japan have been buying gold to accomplish the same ends. These new demands alone have called for considerably more than $1,000,000,000.

In making the above statement, I have not considered the question whether the demonetization of silver by governments was an arbitrary act, urged by comparatively few and done without sufficiently clear foresight of the consequences, or whether, as is thought by the monometallists, it was but an expression of the demands of the commercial world, and would have been practically brought about soon through gold contracts without the action of governments. The question is somewhat aside from the main topic and is, I think, incapable of a positive answer, like most of the "might-have-beens." My own opinion is that in spite of the great intelligence and shrewdness of the business kings—the real monarchs of finance—the great mass of business is still done by average men who are controlled chiefly by custom, and that without legislation the change would have been much more gradual, and indeed, would probably never have been as complete as it even now is. I am aware that no boldness is required to express an equally positive opinion on the other side, and that no one can prove it false.

This greatly increased demand would certainly be expected in the case of other commodities to increase value. Why not in the case of gold? To be sure the supply was also increasing; but from before the seventies till the nineties the annual supply was less than before. Again, to take the place of coins worn out or lost and to meet the usual increase in business, Giffen estimated in 1885* that about two per cent. of the total stock in hand was needed as a steady annual supply. Since then Russia, Austria and Japan have become gold countries, and the estimate ought to be higher. This is of course a demand above the extraordinary one mentioned, and with the large sums used in the arts and shipped to the East was enough before 1890 to exhaust the annual supply, and to leave the extraordinary demands like those mentioned to be competed for by rival countries, thus raising the value of gold. The large output of the last few years, however, ought, besides meeting this regular demand, to leave a considerable surplus for unusual calls or to check the fall in prices.

From the above considerations it seems that the added demand for gold caused by the demonetization of silver and the withdrawal of paper money in some countries and the substitution therefor of gold, has caused it to increase in value as compared with general commodities, and this is probably one of the most potent causes probably even the most potent single cause of the fall in prices.

It may be wise to consider some of the objections to the explanation regarding the money supply, as this is the explanation most frequently attacked.

(*a*) It is said that if the demonetization of silver were the cause of the fall in prices, not only commodities but also wages would have fallen, while as a fact wages have risen. On the diagram is shown the course of general wages as given in the Aldrich report. Much fault can be found with the report on wages, but criticism would show that they are given rather too high than too low, so that the figures favor those who are opposed to my

* "Essays in Finance," second series, p. 87.

opinion. Wages are not subject to the same conditions as are wholesale prices. The influence of custom is stronger in fixing them ; the feeling of the community regarding the standard of comfort suitable for people is another potent factor in preventing a lowering of wages ; and again, the trades-unions are vigorous in their efforts to uphold wages, so that money wages would never as a general fact fall so rapidly as would general prices under the pressure of a common cause if the workmen were at all active in efforts to prevent the fall.

We may note, however, that after the sudden fall in gold wages, caused by the paper money plans of the United States Government, money wages during the period of rising prices, though starting a little later, went up with a leap and bound, even far more rapidly than did prices. But in 1873, when prices began to go down, wages fell also for a time, and then, though they increased, did so at a slower rate than during the period of rising prices. If the fall in prices were caused solely by improvements in methods of production, so that profits and interest remained as before, there is no reason why the money wages should not exhibit the same tendencies and increase as rapidly as before if other things were equal. If, however, something affecting the monetary medium is the cause of the fall in prices, pressure would at once be brought to bear on the employer, and we should expect to see wages affected as are commodities though not to the same degree; that is, there would be a tendency to fall ; and this is exactly what the diagram shows. The tendency appears partly in the actual fall and partly in the decidedly lessened rate of increase.

(*b*) To the objection that so many substitutes are now used for money that no new demand for money would be felt, one can only reply that before 1873 this system of substitutes developed almost, if not quite as rapidly compared with the preceding period in proportion to the population and to business as now. To quote Giffen again (p. 27, 2d series) : "The answer clearly is that in the period between 1850–65 down to 1873, the increase of banking facilities and other economies was as great relatively to the arrangements existing just before as anything that has taken place since." At both dates they lessened the demand for gold.

There is often a misrepresentation as to the proportion of business transactions that call for cash, and as to the importance of a cash reserve. The statistics on such matters are usually those of wholesale trade and often those of clearing-houses or other financial institutions ; but such figures are unfair. It is the retail trade and the reserves that call for cash, and the latest advice on the subject (in the Report of the Comptroller of the Currency for 1896) is that only some 55 per cent. of retail transactions are settled with checks, drafts, etc., the rest by cash, while some 95 per cent. of the wholesale exchanges are so settled. On the whole, from 75 to 80 per cent. is the fairest average to assume as settled by credit currency.

While these facts emphasize very strongly the very great importance of the credit currency of the country and in consequence show the supreme importance of sound credit and commercial confidence in maintaining prices, especially temporary prices, they by no means teach that the coin supply is not of the gravest import in the regulation of prices. Coin is largely employed in retail business. For larger transactions there must always be an ample reserve of coin for credit, and the more extended the credit system the more important becomes the question of the reserve as regards not merely quality but quantity as well. It is impossible to extend credit in the form of bank notes or of loans beyond a certain well-defined limit as compared with the reserves ; and although if there were no such substitutes business would be much hampered in its expansion, it is still true that a large enough shrinkage in the reserves to cause apprehension would contract the currency more than if all business were done on a metal or cash basis. Without credit a withdrawal of $10,000,000 would lessen the supply just that much. With the credit system, a withdrawal of $10,000,000 of the reserve, if enough to cause anxiety, might shrink the available supply of currency by $30,000,000 or $40,000,000. Of course doubt as to the quality of the reserve might have even a stronger effect.

To avoid misunderstanding I may as well add that, as regards the United States, I believe that the fear of a change to the silver standard caused by our peculiar monetary system, has compelled the keeping of larger reserves than would otherwise have been necessary, and has thus increased the demand for gold, while it has also directly lowered prices by checking business. Both kinds of causes are combined in this case.

Since the decline in the value of silver has brought its bullion value below its coin value it is in the United States and other gold countries practically a token money. So far as it is used in the same field with gold it of course lessens the demand for gold to the full amount used. It must be kept in mind, however, that silver, except in the form of the larger certificates in this country and as bank reserves, does not take the place of gold but occupies a subordinate place as subsidiary coin for which gold will not serve. Even the one dollar pieces take the place of bank notes rather than of gold.

Since the passage of the Sherman Act of 1890, indeed, silver has relieved gold not much if any more than would bank notes, as the Treasury has been compelled to keep gold on hand to redeem greenbacks bought by silver and Treasury notes. Secretary Carlisle even said that if necessary to keep silver at par he would redeem silver certificates or silver dollars with gold.* Silver has not been a "money of ultimate redemption," as the phrase is; hence has not done quite full money work.

(c) It is frequently urged also that in spite of the demonetization of silver facts show that there has been no increased demand for gold, though *a priori* one would have expected it; and the argument given is that records of coinage show no increase. Even the careful editors of the "Yale Review" in their February and August numbers (1897) attempt to show the error of the bimetallists, as they say, "by simply stating the facts and showing [by the statistics of coinage] that there has been actually down to 1893 an increase in the demand for silver and a decrease in the demand for gold." Again they say that "in spite of the demonetization of silver and the adoption of the gold standard, there has been other legislation which has resulted in greatly increasing the demand of the mints for silver while the use of bank notes and other substitutes has likewise, in spite of the adoption of the gold standard, not increased the demand for gold." "To those who only know part of the facts," they kindly continue, "Mr. Woodruff's argument [that the demand for gold increased its value] is plausible, but to those who do know the facts

*Letter to J. P. Helm, Sept. 1896.

it is not convincing to be told that certain legislation must necessarily have led to something which we know has no existence."

I suspect that the entire difference of opinion lies in the different uses of the word "demand," and at the present reading at any rate it seems to be the editors of the "Yale Review" who "only know part of the facts." Values of course, as they say, must depend upon both demand and supply; but the extent of the demand in a market can hardly be measured by the amount bought for a special use, without taking the price paid into consideration. Yet this seems to be just what the "Yale Review" does. The bimetallists assert that there has been much more work for gold to do, *i. e.*, a greater demand, without, as they believe, a corresponding increase in the supply, and they point to the undoubted fact of the greater value as compared with commodities as a partial proof, besides giving instances, as they think, of new demands enough to more than employ the annual output by far. The "Yale Review" replies in effect that there has been no increase in the demand (as shown by the coinage, *i. e.*, the amount taken for a special use), therefore there cannot have been more work for gold to do, and therefore the increase in value must be due to some cause not connected with gold, but rather with the commodities which measure the value of gold.

Now when the supply of any commodity is limited and a new demand comes, the normal result is not an increase in the supply but a rise in price. As I understand the way of interpreting the facts under consideration, it is this: Several countries demonetized silver, and some replaced paper with gold; *i. e.*, they said they preferred to let gold be used instead of silver or paper in the payment of large debts (of course all kept silver for subsidiary coin). For bank reserves naturally gold would then be preferred to silver, both as security for notes and for payment of deposits. The governments would demand it also for coin use instead of silver, and did so, as I have mentioned in the case of Germany and most of the time in the United States. This great call for gold could only be met by taking it from the existing stock of other countries that also wanted it, and its value began to increase. In other words commodity prices fell. As in like cases regarding goods, efforts were then made to find cheaper substitutes as far as possible. The United States began under the Bland law to coin large quantities of silver. It was distinctly given as a reason for the passage of that Act that it would probably check the fall of prices—in other words the law was passed with the intention on the part of its advocates to lessen the demand for gold, because the former demand had increased its value and they feared would increase it more yet. Likewise regarding the use of bank notes, checks, etc. They have all doubtless lessened the demand for gold as compared with what it would have been without them; but the supply being short, its value in spite of them went up, though not so much as would have been the case otherwise, and at the higher cost no more was taken for coinage than before. The demand for gold on account of the demonetization of silver and the retirement of paper was met then in two ways: first, by raising its value, *i. e.*, the price of general commodities fell; second, by providing substitutes in part. Had the supply been greater the demand would have been met by an increase in the gold coinage.

But the coinage is no fair measure of the demand that affects the value for other reasons. Bullion is often used in the settlement of international balances, thus performing the function of coin. It is also permitted in most of the European countries as reserves in bank. The demand for shipment to the East, and for use in the arts also tends to add to its value, and this demand naturally increases with the increase in wealth. Moreover the amount of recoinage is a very uncertain factor to reckon with.

(*d*) It has been suggested by many people that there could not have been any appreciation of gold resulting from a relative scarcity of gold itself, because the records showed that the amount of gold in the banks was large. It was evident to every one that there was no scarcity. It is but just, however, to say that the bank reserves are not a good test of the abundance or scarcity of money. If for any reason whatever prices fall and trade becomes somewhat hampered, the normal results are for borrowers to lessen their demands upon the banks and for the bank reserves to increase. The reserves are large when business is dull, and the rates of discount will then be low. When for any reason prices tend to increase, business is likely to be stimulated, often to a dangerous degree ; borrowing becomes active ; the bank reserves fall, and the rate of discount will increase. Or again, anything that shakes a banker's confidence increases the reserve. A banker's sense of the money supply then cannot, from the very nature of the case, be accurate.

Summary : After full consideration therefore of earlier experiences to guide us, and of the arguments of the different writers on all sides on the causes of the fall in prices since 1873, it seems just to consider the following as causes important enough to deserve mention :

A. Not primarily connected with money. (1) Improvements in methods of production, including transportation, and, especially for the United States, those changes that have brought foreign grain into competition with that of the United States. (2) The lessened demand of the past few years caused by the non-employment of laborers.

B. Connected primarily with money. (1) The check in the output of gold until 1890. (2) The use of gold in the arts, and in the East. (3) The demonetization of silver in several countries, together with the withdrawal of paper money and the introduction of the gold standard, increasing the demand for gold. The benefits or evils of the fall in prices, or the remedies, if any are needed, are beyond the scope of this paper ; but a word or two regarding the significance of the causes may be desirable.

The improvements in methods of production are permanent, and would seem to call for no change except watchfulness not to let other causes which might tend to bring speculation and a crisis go unchecked. Non-employment is of course an evil that security and stability in business tend to overcome.

A fall in prices from a relative scarcity of gold would be permanent unless large new supplies—which now seem to be in sight—were furnished ; or unless money substitutes of some kind, silver, bank notes, checks, etc., could be made increasingly efficient enough to fill the gap. The real efficiency of such substitutes depends largely upon stability in business conditions and confidence of business men in the ability and willingness of their fellows and their governments to carry out business obligations in a business-like way, *i. e.*, to live up to the letter as well as to the spirit of their contracts.

JEREMIAH W. JENKS.

CORNELL UNIVERSITY, September 18, 1897.

THE AUSTRO-HUNGARIAN BANK, AND THE ADOPTION OF THE GOLD STANDARD IN AUSTRIA.

The history of banking in Austria-Hungary is of peculiar interest to the student of the effects of a depreciated paper currency, because the country has been under the *regime* of depreciated paper almost from the beginning of banking within its limits. The fault has not been primarily with the Bank, but has resulted from the necessity for propping up the credit of the Government by excessive issues of bank paper, which has dragged so many other countries into the mire of bankruptcy. Both the Bank and the Treasury have struggled manfully in time of peace against the evils wrought in the financial system by the supposed necessities of war, and the Government at last took steps in 1892 which promise the speedy resumption of specie payments upon the gold basis, if the dual monarchy is not dragged into another European war.

The beginnings of the Austro-Hungarian Bank lie back in the period of the struggle for the maintenance of the supremacy of Austria in the German Empire, which was so severely shaken by the brilliant campaigns of Frederick the Great. There had already been founded in Vienna as early as 1703 a banking institution for the funding of the public debt, which was to be accomplished by an annual payment by the Treasury to the Bank, the Bank assuming the obligation of retiring the paper *mandats* or *assegni* which it had been authorized to issue. The Government was unable to make the payments and the institution soon went into liquidation. The project for an Imperial Bank was launched by the Count of Sinzendorff in 1761, and amounted at first to little more than a Treasury office for issuing paper money, like the constitution of the Bank of Russia before 1861. The paper currency which was introduced by the new institution proved at first so convenient and popular a substitute for metallic money that the Government was able to withdraw the interest-bearing certificates which were first put in circulation, and issue in their place non-interest bearing notes of denominations of 5, 10, 25, 50, and 100 florins.* They were eagerly welcomed by the business community and contributed for a time to the promotion of commercial transactions.

The Government, however, could not content themselves with moderation in the use of the power of creating paper credit. A second and third issue of notes were formally prescribed in 1769 and 1771, and additional issues in later years provoked a panic in 1797, which obliged the Government to make the paper a legal tender, and to suspend its exchange for the securities of the consolidated debt. Several provinces of Italy were detached from the Austrian Empire as the result of the wars with the French Republic, and the holders of the Government paper in these provinces hastened to demand re-

* The florin of gold is equal in United States currency to 48.225 cents. It is roughly computed in this article as the equivalent of half a dollar.

demption in coin. At almost the same moment, and partly as the result of the same national disasters, the paper was refused by foreign exchange brokers, and the commerce of Austria was brought almost to a standstill.*

The path of forced legal-tender paper having once been entered, was traversed with a rapidity second only to the pace set by France in the issue of the *assignats*. The Austrian paper currency was never absolutely repudiated, but its value shrunk rapidly as the result of repeated issues and metallic money quickly disappeared from circulation. The notes at the beginning of 1799 showed a depreciation of only three per cent. in relation to silver, but the margin was thirteen per cent. at the close of the year, and eighteen per cent. at the close of the year 1800. The Government in the latter year met the scarcity of small currency by issuing notes of denominations of one and two florins. The period of peace which followed the elevation of Napoleon to the position of First Consul kept the Austrian paper money comparatively stationary, at a depreciation of twenty-eight per cent. in 1802, thirty-three per cent. in 1803, and thirty-four per cent. in 1804. The outbreak of war and the crushing Austrian defeat at Austerlitz carried silver, which was then the standard, to a quotation of 149 in December, 1805, and to 184 in December, 1806.

There was little opportunity for improvement in the value of Austrian paper during the short peace which followed the defeats of Austria's allies and the meetings of Napoleon and Alexander at Tilsit. France and Austria were again at war in 1809 and Napoleon conceived the idea that it would benefit his armies and injure the Austrian Government to put in circulation a quantity of counterfeit bills of the Bank of Vienna. According to the admission of the French Minister after the peace, the Emperor having become possessed of a considerable portion of the securities for the bank-notes, "had the idea of using the right which this possession gave him to issue bills of the Bank, especially as such bills were daily fabricated in Hungary and put in circulation." There was delay in getting the plates made and the notes printed, and the French Minister afterwards gave the assurance to Prince Metternich that peace had been made before the first bills were ready and that "thanks to this circumstance, none of the bills were put in circulation by the Government." The Austrian Government was a good deal disturbed by the knowledge that the bills had been prepared and by rumors that two hundred million florins had been put in circulation. Prince Metternich was instructed to request the surrender of the plates and the notes to the Austrian Government and accepted with such reluctance the assurances of the French Emperor that they had been destroyed that he led Napoleon to say, "It appears to me that you have none too much confidence in my word. Very well, give my word of sovereign to sovereign that nothing of them remains in existence." (*Eh bien, donnez ma parole de souverain à souverain qu'il n'existe plus rien.*)†

Even the peace which united a daughter of the House of Hapsburg to the French Emperor did not prevent the depreciation of the Austrian paper in December, 1810, to one-fifth of its face value in silver. The issue of notes at this time had reached a total of 1,060,798,753 florins ($530,000,000). These

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* Octave Noel, *Banques d'Emission en Europe*, I, 341.

† Metternich, *Mémoires, Documents et Ecrits Divers*, II, 355–60; Paris, 1880.

notes, although called bank bills, were issued directly by the Government and were legal tender for private debts. Their quotations were so variable and uncertain that the difference often amounted to twenty or thirty per cent. in a single day and silver was quoted for a time as high as 1,200 per cent. in paper. An Imperial decree of February 20, 1811, announced the reduction in the recognized value of the notes to one-fifth of their nominal value and their retirement before January 31, 1812. They were to be replaced by a new form of paper, to be known as redemption notes (*Einlosungsscheine*) and the amount, upon the basis of one-fifth of the old notes outstanding, was fixed at about 212,000,000 florins ($106,000,000). The people had lost confidence in the sincerity of the Government in pledging itself to issue no more paper, and the new notes soon fell to fifty per cent. of their face value. The creation of new masses of paper was the resource to which the Government continued to resort in the desperate struggle with Napoleon, and the circulation of redemption notes rose in 1814 to 457,600,000 florins, and in 1816 to 638,715,925 florins, while their purchasing power as steadily declined. A new form of paper, known as anticipation bills, secured by certain future imposts, failed to stay the downward course of Austrian national credit as represented by its paper issues.

Creation of the National Bank.

It was under these unhappy conditions that the National Bank of Austria came into being. The unfortunate experience of the Bank of Vienna was not forgotten after the lapse of one hundred and thirteen years and the Imperial Government sought to avoid the errors of that time by seeking the aid of private capital rather than relying upon the sovereign power of stamping and coining money. Two Imperial patents of July 1, 1816, decreed the foundation of a National Bank and reviewed the financial struggles of the past twenty years and the steps proposed to be taken to restore public credit and private security. "The development of all the forces of the state," said the Emperor in this decree, "required an expenditure which far surpassed the capacity of the citizens for supporting taxes. We had recourse to the loyalty of our people. Artificial monetary signs put us in a condition to make headway against the pressure of our necessities and to sustain the dangerous struggle, of which the victorious issue has remitted to the monarchy the full possession of the powers which had been taken from it and has established anew its security and independence. Our first care has been to re-establish order in all the confused conditions which have been connected with our currency."* The other patent gave a solemn pledge that the Government would never henceforth put paper money in circulation nor increase the amount of the existing circulation, and that the retirement of this paper money should be entrusted to a national privileged establishment.

To this appeal a group of capitalists responded, who prepared the outlines of the statutes of the National Bank of Austria, which received the Imperial approval on July 15, 1817. The new institution was given exclusive authority for twenty-five years to issue circulating notes, grant discounts and enjoy exemption from taxes. The outstanding paper money was received in subscriptions for the capital of the Bank and the notes thus collected were re-

* Noel, I, 346.

placed by Treasury obligations bearing interest at two and a half per cent., but actually paying seven and a half per cent. upon the coin value of the depreciated paper for which they were exchanged. The Government proved its sincerity in retiring the paper money by applying to this purpose 131,829,-887 florins of the indemnity paid into the Treasury by France as the result of the treaty of Paris. The outstanding redemption notes and anticipation bills were thus reduced, almost at a stroke, to 546,886,038 florins. The Bank had every motive to take up the Government paper, because its rate of exchange with the Government was fixed at 250 to 100, while purchases could readily be made at 300 to 100. The progress of redemptions was so energetically pushed that the amount of 537,173,200 florins was withdrawn from circulation up to 1847 and the nominal amount of 9,712,838 florins remained outstanding on December 31 of that year. The Bank at that time held 82,179,837 florins of the national securities issued in exchange for the paper money, but this debt was entirely repaid to the Bank by the year 1865.

The fair prospect of the return of financial health, which appeared so bright at the close of the year 1847, was seriously clouded before the close of another year. The results of a generation of effort were rudely overturned by a series of wars which impaired internal credit, imposed heavy charges upon the Treasury, and led to heavy borrowings by the Government from the Bank and the issue of Government paper money. The first of these events was the outbreak of the insurrections in Italy and Hungary, which were the forerunners of Italian unity in the South and made Kossuth so romantic an historical figure in the East. The effects of the insurrection had been hardly gotten over when Austria was compelled to play a part in the Crimean War, and a few years later (in 1859) the Italians wrested several rich provinces from the Empire and the Austrians met defeat at the hands of the combined forces of Victor Emanuel and Napoleon III, at Magenta and Solferino.

The Suspension of Specie Payments.

The Bank at the close of 1847 possessed a metallic reserve of 70,240,000 florins ($35,000,000), and had a note circulation of 213,000,000 florins. The insurrection in Hungary caused popular alarm and resulted in a run which reduced the reserve within a few days by more than one-half. The Bank directors appealed to the Government and secured authority, by the Ordinance of May 22, 1848, for the suspension of specie payments and the forced legal tender of the bank notes. The Government borrowed 50,000,000 florins from the Bank in 1848, in addition to the sum of 82,500,000 florins already carried in evidences of the consolidated debt. It was frankly confessed in an Imperial patent of June 28, 1849, that the Bank had "ably contrived to perform highly helpful service in the interests of the state, amidst conditions which must have paralyzed all other instruments of aid."* These loans went on increasing until 1851, when they were slightly reduced. The reduction was continued until 1854, when the aggregate debt of the Treasury to the Bank was 121,700,000 florins ($60,000,000). The necessities of the Crimean War forced the loan up at a bound to 294,200,000 florins, from which it was only gradually reduced until the outbreak of the war with France and Italy in 1859. The debt stood on January 1, 1860, at 285,800,000 florins. From

* Prof. Max Wirth, "A History of Banking in All Leading Nations," IV, 76; New York, 1896.

that time some progress was made in its reduction until 1866, when the war with Prussia caused new issues of government paper and a new postponement of specie resumption.

Severe as was the strain put upon the Bank and the public credit by these repeated borrowings, it would have been much better borne if the Government had not overcharged the circulation and the stock markets with its own paper evidences of indebtedness. The exportation of the precious metals was vainly prohibited when the Bank paper was made legal tender in 1848. The next step was the issue of two series of Treasury *mandats*, amounting to 98,000,000 florins, secured upon the salt mines of Gmund, and payable with interest at the expiration of four, eight or twelve months. This was the beginning of the system of Government paper money which proved such an obstacle to resumption in 1892, and has not yet been entirely withdrawn from circulation. Successive issues followed each other under different names, coin disappeared from circulation, compelling the issue of small paper notes, and the stock markets were confused by a multiplicity of national securities of different forms and denomination, bearing varying rates of interest, and of doubtful degrees of value. "The notes of the Bank alone," says M. Noel, "maintained a certain value and, in spite of the depreciation to which they were subjected in the midst of the general discredit which afflicted credit money, they preserved some favor, especially after the pledge given by the Treasury that no more loans should be contracted with the Bank."*

The National Bank had practically maintained redemption of its notes in coin on demand from 1839, when the amount of Government bills outstanding had been reduced to only 13,500,000 florins, until the crisis of 1848. During this interval, there were, in the language of Prof. Leroy-Beaulieu, "two forms of paper simultaneously in circulation—one, the paper money of the State, having forced legal tender character and submitting to a depreciation varying in relation to silver ; the other the notes of the National Bank, which had no need of forced legal-tender qualities and were at par with silver because the Bank always exchanged them against specie."† This condition was changed when the Bank became an instrument for propping the credit of the Government. Several efforts were made, by authority of the Government but with the cordial support of the Bank, for the resumption of specie payments. Success seemed almost achieved in 1859. An Imperial decree of April 30, 1858, provided that after November 1 of that year one-third of the bank-note circulation should be covered by coin or bullion and the other two-thirds by approved securities or first-class commercial paper. An arrangement was made for the retirement of 100,000,000 florins in small notes by the pledge of the domains of the State. The war with Italy upset these plans and silver, which had been quoted at only two per cent. premium for a brief period in 1858, rose to forty per cent. in the spring of 1859.

The Adoption of the Gold Standard.

Silver was the metallic basis of circulation in Austria-Hungary down to recent times. The paper florin was long understood to represent a florin of silver coin and it represented nothing else in law until the adoption of the gold standard in 1892. Several efforts were made to bring Austria into a

* *Banques d' Emission en Europe*, I, 357.

† *La Science des Finances*, II, 646.

union of the other German states for the adoption of a common monetary system as well as a standard of coinage. A congress of the German states held at Dresden in May, 1838, resolved upon a "Universal Monetary Union," which established a double system of silver coins for two groups of German states. A fixed relation was established between the coins of one group and those of another and a union coin was provided for, equivalent to two Prussian thalers or three and a half South German florins (about $1.50). Austria held aloof from this agreement, but the gradual accession of most of the other German states brought her into the union in 1853. The customs treaty of February 19 of that year, by which Austria entered the Zollverein, provided that the contracting parties should in the course of the year "enter into negotiations regarding a general coinage treaty." Negotiations were undertaken in 1854 and Austria favored the adoption of the gold standard. Gold was then looked upon as the fluctuating metal, but it had not taken the place of silver in Germany, through overvaluation in the coinage, so extensively as in France, because the worn state of the coins and the fact that gold was not a legal tender, threw serious obstacles in the way of the exchange.*

The conference of 1855 ended without a definite conclusion, but with the adoption of a resolution that "In any case the value of gold must yet pass through many alterations and crises before it also attains a point even approximating to stability and permanence." Austria yielded to the general desire for the retention of the silver standard and became a party to the Vienna convention of January 24, 1857, which provided for a common coin throughout the territory of the Union. These coins were to be known as *Vereinsthaler* and were equal to one and one-half Austrian florins and one and three-quarters South German florins. A consideration of importance to the National Bank of Austria in this treaty was a section prohibiting the issue or circulation of irredeemable paper money. It was declared that "The exceptions to this rule, possibly existing for the time, are to be abolished by January 1, 1859." Resumption was not accomplished under this agreement, in spite of the measures already detailed which were taken to accomplish it, and the silver standard prevailed in Austria, so far as there was a metallic standard, until the conference held at Paris in 1867 in connection with the International Exposition. The action there taken was in favor of the adoption of the gold standard by the commercial nations of Europe and a convention was signed betwen France and Austria on July 31, 1867, establishing a fixed relation between the franc and the gold florin. The silver florin, however, continued to be the basis of the Austrian circulation until silver parted company with gold at the old coinage ratios and began to fall in price in the world's markets.

The resumption of specie payments upon the gold basis came about in part in pursuance of the natural logic of events and in part by the definite action of the Government in 1892. That resumption upon the gold basis was counted upon as the logical policy of a leading commercial state was indicated by the fact that the Austrian paper currency refused to follow the downward course of silver. The depreciation of the paper was nearly the same with reference to both gold and silver, while the latter remained nearly at par at the coinage ratio of the Latin Union. The situation when the two

* Henry P. Willis, in "Journal of Political Economy," March, 1896, IV, 194.

metals parted company and the results upon the Austrian coinage are set forth by Prof. F. Wieser, an Austrian financier, as follows:*

"The Austrian paper gulden was at that time in law and in fact an irredeemable promise to pay a silver gulden, and was consequently quoted at a given figure below the silver gulden. Accordingly when silver declined relatively to gold, it might have been expected that the discount of the paper, as compared with silver, would not be affected by this fact: and that the paper therefore would always maintain its own proper discount as compared with silver, however much silver might decline relatively to gold. But the event was quite otherwise. The greater the discount of silver became relatively to gold, the less became its premium relatively to paper. The average depreciation of our paper money as compared with gold was, from 1874–78, 14.92 per cent.; as compared with silver it amounted only to 5.15 per cent. Finally, in 1878, the premium on silver disappeared in Austria completely and finally, while the premium on gold remained and has indeed increased since that time. The price of silver in London, the price of silver in Vienna, and the exchange on London, were at this time such that it was profitable to import silver into Austria and coin it here. This opportunity was of course immediately taken advantage of in the exchanges, and ever-increasing quantities of silver were brought to the Austrian and Hungarian mints for recoinage in gulden, to the profit of speculators. In this way to the great astonishment of the public, specie again came into circulation in the country in not inconsiderable quantities. The coinage of silver gulden amounted, in 1877 to about 16,500,000, in 1878 to nearly 25,000,000, and in 1879 rose above 64,000,000. In the latter year this traffic was put a stop to, the coinage of silver on private account being discontinued."

Austrian paper, therefore, had by the operation of events become superior in value to the silver in which it was nominally redeemable. This situation was due in part to the suspension of the free coinage of silver, which enhanced the value of the coins in the same way in which they were enhanced by like action in Holland and Java. Such an enhancement would have had little justification, however, if the belief were not growing that Austria would abandon the silver standard when she resumed the redemption of her paper in specie. The closing of the mints to free coinage, the commercial development of Austria-Hungary, and the improved state of the public finances, reduced the premium on gold from 23.68 per cent. in 1887 to 17.11 per cent. in 1889 and 14.05 per cent. in 1890. On September 2 of the latter year the gold premium had fallen to about nine per cent. The rise in the value of paper at this time was due in some measure to the passage of the Silver Purchase Act of 1890 in the United States, which strengthened the credit of Austrian paper by the momentary assurance that the rise of silver would make it more valuable than before, even if finally redeemed in that metal. The alteration in the actual standard was so great as to cause violent protests from the agricultural exporters of Hungary and even to alarm the Government for its effect upon private contracts.

Preparations for Resumption.

The next eighteen months were devoted to earnest discussion of preparations for the return to specie payments upon the gold basis. It was the opinion of Prof. Ottomar Haupt that "the country would long ago have enjoyed the benefit of the resumption of specie payments had it not been for the fiduciary circulation of the Government, for which no metallic cover had ever been provided."† As it was, two of the essential questions submitted by the Government for the consideration of specialists related to the retire-

* "The Journal of Political Economy," I. 384; June, 1893.

† "The Monetary Question in 1892," p. 57; London, 1892.

ment of the Government notes, and the relation which the new gold coinage should bear to the existing paper and silver money. The Finance Ministers of each part of the Empire summoned a conference of leading economists and financiers in March, 1892, and were able to lay their recommendations before Parliament on May 14. The adoption of the gold standard was a foregone conclusion. There was more division over some of the other questions, but the majority favored the reduction of the Government note circulation to from 50,000,000 to 100,000,000 florins and others favored its complete retirement.*

The question of the relation promised at first to lead to controversy, but was settled in favor of the rate of exchange actually prevailing at about the time of the adoption of the new system. It happened that this relation was about the average of the exchange value of the paper florin in gold from 1879 to 1891. It was proposed, therefore, without shock to existing contracts, to legalize by a new gold unit the gold value of Austrian paper, in substantially the same manner as Russia, under similar conditions, has more recently legalized the exchange value of her paper ruble. The depreciation from the face value of the paper in gold was sixteen per cent. in the case of Austria-Hungary and 33⅓ per cent. in Russia, but in neither case had gold ever constituted the standard money of redemption or the standard of value. Only by a stretch of language, therefore, could it be positively asserted that either country had scaled its obligations or debased its standard of coinage. There had been in Austria gold florins coined, but they had not been clothed with legal-tender powers nor constituted the standard of value.

The new coinage system created a new gold unit known as the crown (*krone*), divided into 100 heller and worth in United States gold coin 20.3 cents. Paper money, bank-notes, and silver coins were henceforth to be computed upon the basis of two crowns for one florin, a reduction in the value of the gold florin from 48.225 cents to 40.6 cents, but an overvaluation of the old silver coins. The adoption of the new standard was of considerable benefit to the Bank, because it was able to advance the nominal value of its gold holdings in florins to the new value in crowns. In other words the gold which had formerly been counted only at its face value could now be counted at its bullion value, since the standard of the country had been adapted to the actual exchange value of the outstanding paper. The advantages of the policy pursued by Baron von Lucam (described further on), when he first discerned the coming fall in the value of silver, were apparent when 59,757,000 florins in gold and 20,428,000 florins in foreign gold bills were found in the reserves of the Bank on August 7, 1892, when a readjustment was made upon the basis of the new standard. The new value of these 80,000,000 gold florins became 93,000,000 florins. The Bank carried 13,500,000 florins in foreign bills to its special reserve fund and still had a sufficient fund left to cover its note circulation.

Gold poured into the country freely during 1892, expelled from India and the United States by the operation of their silver coinage laws. In the languge of Prof. Weiser, addressed to Americans, "It is in great part your republican 'eagles,' stamped with the Imperial eagle of Austria, or the royal crown of St. Stephen of Hungary, that just now are furnishing the basis of

* A. Raffalovich, *Le Marché Financier en 1892*, p. 95.

our gold standard." * The Government was obliged to obtain a large quantity of gold for the retirement of 312,000,000 florins in the outstanding state notes and to get rid of large masses of old silver. A considerable proportion of the old silver was consumed in the new subsidiary coinage, and the Government aided the Bank in 1894 by paying gold for the old silver coin and authorizing the issue of bank-notes against the gold. The excess of silver, the overstraining of the exchange market, and the effects of the crisis of 1893, caused a reaction in the latter year in the rapid march of the dual monarchy towards full gold resumption; but paper rose last summer for a time to par, and the date is evidently not far distant when resumption will be finally and fully accomplished.

The Charter of the Bank.

The important events connected with the adoption of the gold basis have been thus far followed consecutively, without breaking the narrative for the purpose of discussing the other changes in the charter of the Bank. The original charter expired in 1842. The Government took advantage of the renewal of the charter, by a patent of July 1, 1841, to extend the operations of the Bank in regard to transfers of funds and the management of current deposit accounts. The original charter conferred the exclusive power of granting discounts as well as of issuing notes. Credit was reaching an extension in the monarchy which had already led to the creation of many banking and finance companies and now compelled the abolition of the exclusive privilege of the National Bank in respect to discounts. The charter was continued with these and some other changes until December 31, 1866. The Bank had originally issued only 50,621 of the 100,000 shares to which it was entitled. The remaining shares were issued in 1853 by a decision of the official board of the Bank, and two years later, by a ministerial decree of October 21, 1855, the Bank was authorized anew to conduct mortgage operations. The next extension of the charter was made by the Act of December 27, 1862, and continued the existence of the Bank until December 31, 1876. A law of January 28, 1868, authorized the reduction of the capital from 110,250,000 florins to 90,000,000 florins, at which it has since remained until the proposition of the new charter now pending to raise it to 105,000,000 florins.

The recognition of the autonomy of Hungary in 1866 led to some question as to the status of the National Bank. The new Hungarian Government declared in March, 1867, that it had no purpose of disturbing existing relations with the Bank, but demands were soon made which the Bank was little disposed to grant. The approach of the expiration of the charter in 1876 led to an agreement between the two Governments by which the National Bank was merged with a new institution, bearing the name of the Austro-Hungarian Bank and recognizing the equality of the two sections of the monarchy. The Hungarian Government so jealously guarded its right to create banks of issue under its own authority that it would consent to the charter of the new institution for only ten years, and coupled with its consent an express affirmation of the right of each section of the monarchy to establish independent banks. There were some delays in putting the new project in execution and it was not until July 1, 1878, that the Austro-Hungarian Bank

* "Journal of Political Economy," June, 1893, I, 399.

assumed the business of the Austrian National Bank and became the recognized bank of issue of the dual monarchy.

The charter was extended for another period of ten years in 1887, with comparatively little controversy. The principal changes then made related to the rules governing the circulation, which were amended on the German model. The present charter expires on December 31, 1897, and the conferences have been long and earnest over its renewal. A plan was at last agreed upon early in March between the representatives of the Bank and the two governments, which will undoubtedly be accepted. The charter is extended to the close of 1910, some readjustments are made in the Government debt to the Bank and in its share of the profits, and new recognition is given to the growing industrial and political importance of Hungary.

THE EXPANSION OF BANKING BUSINESS.

The Bank has extended its operations and improved its methods from time to time in keeping with the progress of events and the expansion of commercial enterprises in Austria-Hungary. A branch was opened at Prague in 1847, one at Pesth in 1851, and sixteen more during the next six years. The use of drafts was extended in 1866 to the branches in such a manner that transfers were made not only between Vienna and the branches, but among the branches themselves. In November, 1866, inland bills drawn upon the branches were admitted to discount in Vienna and bills drawn upon Vienna at all the branches. The minimum limit of bills accepted for discount was reduced below 100 florins in 1868, and the severity of existing rules was modified regarding the character and number of the signatures upon bills discounted. The securities upon which advances were made were extended in 1866 to paid-up shares of industrial enterprises whose dividends were guaranteed by the Government, and in 1868 to similar securities which were not guaranteed.

It has been since the expansion of the old National Bank into the Austro-Hungarian Bank that the greatest progress has been made in affording facilities for credit. The old institution had only twenty-five branches, with some annexed bureaus, doing business only within narrow territorial limits. The new administration in 1879 divided the monarchy into forty banking districts and attached to each the outlying towns, under such regulations that all leading business firms are brought within the circle of the credit of the Bank. Ten new branches were established in Hungary and five in Austria. Further extensions carried the number of branches at the close of 1896 to fifty-eight, not including the two main offices at Vienna and Buda-Pesth.

The margin of uncovered note issues was set aside in 1879 in the proportion of 125,000,000 florins for business at Vienna and the Austrian branches, 50,000,000 florins at Buda-Pesth and the Hungarian branches, and 25,000,000 florins as a reserve under the control of the General Council. A similar proportion has been steadily maintained since that time. The total operations of the Bank have nearly doubled within the past ten years, amounting to 10,002,819,572 florins in 1889, they were 12,513,411,808 florins in 1892, 14,459,695,108 florins in 1894, and 21,342,423,979 florins in 1896. The operations affording a profit, which were 1,668,911,260 florins in 1889, were 2,597,597,035 florins in 1896.

CHARLES A. CONANT.

(To be continued.)

SKETCHES OF THE GOVERNOR AND SECRETARY-GENERAL.

Julius Kautz, the present Governor of the Austro-Hungarian Bank, illustrates in his career the high tribute paid to scholarship in foreign financial circles and the justification of this tribute by the success of scholars in finance. Prof. Kautz was born November 5, 1829, at Raabe, studied at Pest and Leipzig; and after he first taught in the Academies of Law at Pressburg and Grosswardein, and subsequently in the newly organized Polytechnicum at Ofen. He was appointed in 1862 a regular Professor of Political Economy and Public Law in the Royal Hungarian University at Pest. In the year 1883, Dr. Kautz became Vice-Governor of the Austro-Hungarian Bank. In consequence of his appointment as Governor of that Bank in March, 1892, he resigned his professorship.

DR. JULIUS KAUTZ,
Governor Austro-Hungarian Bank.

Dr. Kautz is an Active Privy Councillor of His Imperial and Royal Apostolic Majesty, a life member of the House of Magnates of the Hungarian Diet, and, since 1860, a member of the Hungarian Academy of Sciences.

Dr. Kautz has written several books on the general theory of political economy and finance which have taken a high place in Austrian literature. Several have been translated into German from the Hungarian tongue, and several have been crowned by the Hungarian Academy. A list of such works which have appeared in book form is as follows:

"The Theory and History of National Economy": An introduction to the study of national and political economy. In the German language: two parts; Part I: "National Economy as a Science," Vienna, 1858; Part II: "The Historical Development of National Economy and its Literature," Vienna, 1860.

"Politics; or, the Study of the Science of the State, with reference to the National Organizations of the two Civilized Continents," published in the

EMIL C. VON MECENSEFFY,
Secretary-General Austro-Hungarian Bank.

Hungarian language, at Pest, in 1862, a third edition at Budapest, 1876. It was awarded the grand prize of the Hungarian Academy.

"A System of Political Economy and the Science of Finance," in three parts. Several editions in the Hungarian language, the last at Budapest in 1883-5.

"History of the Development of the Ideas of Political Economy, and Their Influence upon Hungarian Life," Pest, 1868. (Prize awarded by the Hungarian Academy.) A synopsis of this work has been published in German under the title: "History of the Development of the Ideas of Political Economy in Hungary, and their Influence upon the Life of the People," Budapest, 1876.

"Our Political Economy and the Tariff Policy" (in Hungarian); Pest, 1868. (A prize awarded by the Hungarian Academy of Sciences.)

"Social Institutions in Political Economy" (in Hungarian); Budapest, 1880. (A prize awarded by the Hungarian Academy.)

Dr. Kautz has published, in addition to the above, in the Hungarian language: Essays and Treatises on the Laws of the Foundation of Cities: on the Most Recent Trends in Political and Social Science; on Taxes and National Debts; on Systems of Agricultural Management; on the Principles of Political Economy and the Beginnings of the Socialistic Theory of Finance; on Political Questions Connected with the Currency; on the Financial Statistics of the European States, in the publications of the Hungarian Academy of Sciences, and in the specialist periodicals, the "Review of Political Economy," Agricultural Sheets, and, particularly, in the "Budapest Review." He has also made long academic obituary addresses, particularly on Dr. Theodor Pauler, President of the Hungarian Academy of Sciences, and Royal Hungarian Minister of Justice; on Dr. Alexander Konek, Professor in the Royal University; on Dr. Karl Kerkapoly, Royal Hungarian Minister of Finance; on Professor Wilhem Roscher and Professor Rau, foreign members of the Hungarian Academy, etc.

The career of the Secretary-General of the Austro-Hungarian Bank, Emil Baron von Mecenseffy, illustrates the capacity of the Austrians who enter upon a financial career to rise from the subordinate to the highest grades by merit. Baron von Mecenseffy was born October 13, 1834, in Lemberg. He graduated in five classes at the Gymnasium; was at the Pioneer Corps School from 1851-1855; and in 1855 was commissioned as an officer. He was called upon to enter the War School in 1857, but, owing to family considerations, resigned from the military service, and prepared himself, by his own efforts, for the mercantile career.

After passing an examination, he entered the Bank on the 15th of July, 1858. He was Assistant Manager of the branch bank at Fiume from 1867 to 1873, and Manager of the branch bank at Pilsen from 1873 to 1876. In 1876, he was called to Vienna, to take a place in the office of the General Secretary. He was appointed Chief Bookkeeper in 1881 and General Secretary in 1891.

Baron Mecenseffy is the author of the following publications:

"Value and Price of the Privilege of the Austro-Hungarian Bank," Vienna, 1894. "The Management of the Austro-Hungarian Bank, 1886-1895." Vienna, 1895. "The Resources of the Austro-Hungarian Bank," Vienna, 1897.

FOREIGN BANKING AND FINANCE.

The Gold Standard in Russia.

The firm steps with which the Russian Empire is proceeding to put in operation the new gold standard are indicated in a letter from the Vienna correspondent of the London "Economist," printed in the issue of August 28. The correspondent states that three representatives of the Imperial Bank of Russia are visiting the leading banks of Europe for the purpose of studying the questions of the exchange and redemption of notes and the arrangements for regulating the currency. They have been to Berlin and Vienna and will visit Paris and London. The purpose of their investigations and their reports regarding Russia are summed up as follows:

"Of course they hoped to gain the most useful information in England, France and Germany, where the standard is an old established institution. Austria interests them from another point of view—it is in the same position as Russia; it is preparing itself for the adoption of a pure gold standard. The three commissioners gave some interesting information with regard to the present condition of the work of the currency reform in Russia. The whole operation is based upon the simplest principles. Thus the proportion of the value of the old and new ruble is fixed exactly according to the actual relative value of gold and paper, and the gold ruble will be worth one and one-half paper rubles, this being the average rate of the last ten years. The gold required for the currency reform is nearly all accumulated. Already Russia has more gold than the notes in circulation represent. The Imperial Bank has begun payments in gold provisionally. The ultimate regulation of the currency and the compulsory cash payments, as also the withdrawal of the small notes, are not yet sanctioned by the Emperor. The present provisional state must last for a time, until it can be shown that it is safe to take definite measures. The experience gained thus far in regard to payments in gold is such as to encourage the Bank to continue them. Not only in the cities, but even among the agricultural population in the country, the new gold pieces coined in denominations of seven and one-half and fifteen rubles are readily accepted. Peasants, coachmen, small tradesmen, all know the coins well and receive them willingly. There is yet no obligation to take the gold. Only those who receive them willingly are paid in new coins; silver and notes are still everywhere available, only the notes of one ruble or three rubles are being slowly withdrawn and none are issued by the Bank, although whoever applies for them at the exchange tills of the Bank can obtain them. But they are not much in demand, and the new silver coins issued in their place are very welcome. All over the country those who buy and sell have some of the new coins about them, though, of course, the great bulk of payments is still made in silver and notes."

The Banking Situation in Italy.

The situation of the Italian banks of issue at the close of July, as presented in the "Official Gazette," shows some improvement over the tendencies of the last four years. The banks have conformed to the law of January 17 last, and the circulation of each of them is fully covered by specie, easily negotiable securities, and commercial paper. The circulation of each bank is now regulated somewhat upon the model of the Bank of England, a fixed limit being set for circulation not covered by the metallic reserve and all issues in excess of the limit being covered by coin or bullion. There is also a maximum limit of circulation beyond which the banks are not permitted to go. The maximum limit for the Bank of Italy is 777,000,000 lire ($150,000,000) and the actual circulation on July 30 was 746,812,013 lire. The reserve consists primarily of 300,000,000 lire, in specie, which is required by law as an exclusive guarantee for the notes; 307,449,182 lire in various assets (including 84,000,000 lire in specie), and 158,531,565 lire in securities. The Bank of Naples has a maximum limit of 242,000,000 lire ($48,000,000), and had an actual circulation on July 31 of 213,368,923 lire. The legal metallic reserve was 90,500,000 lire, the first-class assets were 93,727,422 lire, including 15,500,000 lire in specie, and the securities were 29,141,502 lire. The Bank of Sicily, with a legal limit of 55,000,000 lire ($11,000,000), showed on July 31 a circulation of 48,942,810 lire, of which 21,000,000 lire constituted the required reserve, 24,093,862 lire was in various assets, including 16,600,000 lire in specie, and 3,848,943 lire was in securities. The total circulation of the three banks of issue, therefore, was 1,009,123,746 lire protected by 411,500,000 lire of specie required by law and 468,388,861 lire in various assets of the first class, including 116,000,000 lire in specie. The other assets include 212,000,000 Treasury bonds and other national obligations and 140,000,000 lire in various securities. It is pointed out by the "*Popolo Romano*" that a circulation covered by more than four-fifths metallic money possesses a security of the first order. It is necessary, however, to persevere in this conservative course in order to restore confidence to the Italian banking system. The Italian Finance Minister, M. Luzzatti, desires to relieve the banks from some of the fetters now imposed upon their reserves, but the project will probably not be considered until November.

Bank Consolidation in Europe.

There is a disposition in both Germany and Austria-Hungary towards a consolidation of banking capital such as has been going on in England. The Deutsche Bank of Berlin has raised its capital to 150,000,000 marks ($37,000,000) and has absorbed the Bergisch-Markisch and the Schelesiche Bank, which will preserve a certain degree of independence as branches. This will make the Deutsche Bank the strongest institution in Germany in respect to banking capital. Even the Imperial Bank has a capital of but 120,000,000 marks, though, of course, the right of issuing notes and other privileges constitute its chief resources. It is probable that other banks will increase their capital and effect fusions with other companies, which will lead to a further concentration of business. During the last few years the capital of the banks in Berlin has been increased by 231,500,000, bringing it up to 739,000,000 marks. This total sum is at present distributed as follows: Deutsche Bank, 150,000,000; Disconto-Gesellschaft, 115,000,000; Dresden Bank, 110,000,000; Darmstadt Bank, 80,000,000; Berlin Handels-Gesellschaft, 80,000,000; Schaaffhausen Bankverein, 75,000,000; National Bank, 45,000,000; Mitteldeutsche Credit Bank, 36,000,000; Genossenschafts Bank, 28,000,000; Berlin Bank, 20,000,000 marks. A letter from the Vienna correspondent of "*L'Economiste Européen*," in the issue of August 20, states that the example of the German banks has become contagious in Austria, and that numerous increases of capital have been announced. The Hungarian Mortgage Bank begins the movement by an increase of 5,000,000 florins ($2,000,000), and will be followed by other leading institutions. The increase of capital is due in part to the new law, imposing a progressive tax upon the income of corporations distributing dividends of more than ten per cent. This makes it desirable to distribute the dividend over a larger nominal capital at a rate below ten per cent.

Savings Banks in Belgium.

A striking exhibit of the increase of savings in Belgium within the present generation is afforded by the official figures published in the "*Bulletin de Statistique*" for July. The banks receiving savings in Belgium are the Central Savings Bank at Brussels, the branches of the National Bank, the Treasury collection agents in the provinces, and the post offices. These receipts on the part of the National Bank are independent of its discount and mercantile business. The savings system was inaugurated in Belgium on September 15, 1865, and before the close of that year 803 books were outstanding, showing net deposits of 529,632 francs, or an average of 659.56 francs ($130) per book. The tendency was towards the increase in smaller savings as soon as the system came to be understood by the masses, with a great increase in the amount deposited. The figures for representative years are shown in the following table:

DECEMBER 31,	*No. of accounts.*	*Net deposits.*	*Average per depositor.*
		(Francs.)	(Francs.)
1866	6,016	2,293,422	381.22
1870	52,346	19,620,726	374.82
1875	106,212	44,857,001	421.93
1880	200,565	125,098,287	623.73
1885	444,087	189,061,089	425.72
1890	731,057	325,415,412	445.13
1891	800,074	333,428,732	416.75
1892	869,947	351,308,338	403.83
1893	960,468	390,181,775	407.24
1894	1,053,699	427,317,065	405.54
1895	1,145,408	453,429,300	395.87

The balance remaining to the credit of depositors at the close of 1896 was 494,844,251 francs ($98,000,000), and on June 30, 1897, 509,772,895 francs, distributed among 1,297,466 accounts.

State Banking in Uruguay.

The experiment of the new State Bank in Uruguay, which was inaugurated only last year, does not seem to have proved very successful. The public debt was increased by $25,000,000, largely to obtain capital for the Bank, but recent reports regarding the Bank indicate that "nobody has faith in its stability, and the last balance sheet shows that very little legitimate banking business is being done. The general opinion in Montevideo is that the concern is destined to share the fate of former State banks in Uruguay, and end in bankruptcy before long." The balance-sheet for May shows that the notes in circulation fell from $830,430 in April to $807,800 in May. The amount in circulation in November, 1896, was reported at $1,850,230. These changes do not indicate much confidence in the Bank, in spite of a nominal capital of $12,000,000, cash in hand $1,351,726, and commercial paper and other obligations to the amount of $5,338,267. The banking policy of Uruguay up to 1893 permitted the creation of independent banks of issue, and the strongest of these institutions was the London and River Plate Bank, which was owned in London. This Bank did not take advantage of the right to suspend specie payments when it was granted by the Government and its notes circulated at par with gold. These notes had to be withdrawn under the policy of a Government monopoly of banking, and the country has now no paper currency except the notes of the National Bank.

The Monetary Standard in China.

The present condition of the Chinese currency, with the fluctuations caused by changes in the price of silver, are discussed as follows in a recent report on the trade of China during 1896 by Mr. George, the British Consul at Pekin :

"It should be borne in mind that China is not, strictly speaking, a silver-using country, and that, though all considerable sums are reckoned in taels and paid in silver, the true unit of the currency is the cash, a circular copper coin pierced with a square hole in the center, varying in size between the farthing and the half-penny, and worth about one-tenth of the former sum. These absurd coins, which are usually carried about threaded in strings of 100 each, are the medium by which all the daily transactions of the Chinese people are exclusively carried on. The price of labor and of raw produce alike must ultimately be paid in copper cash, and the silver tael is merely a convenient form of reckoning or carrying about the number of cash for which it will exchange. It has been stated that while the price of silver in relation to gold has been going down its purchasing power in China has remained constant. This would only be true if there had been no alteration in the exchange between silver and copper cash, and supposing the value of the latter in relation to other commodities to have remained unchanged. As a matter of fact, there has been a steady rise during the last few years in the silver price of cash ; the year 1896 has witnessed a further considerable rise throughout China, attributed partly to scarcity and insufficient minting of the coin, so that the tael, which formerly exchanged for 1,500 cash, will now only purchase 1,200 or less. Side by side with this increase in the silver price of cash, there has also been a marked tendency for the cash itself to depreciate in regard to commodities in general, so that the gold price of Chinese commodities has not fallen to an extent by any means as great as has been generally assumed from the decrease in the exchange value of silver."

Banking Enterprise in Japan.

The stimulus given to financial enterprises in Japan by events growing out of the war with China is indicated by the great increase in the number of new banking corporations and the increase of their capital. The money market has suffered some perturbations of late, and it is doubtful whether all of these new banks will continue to make satisfactory profits. The development of the single year 1896 has an economic interest, however, and is exhibited in

	December 31, 1895.		*December 31, 1896.*	
	Number.	Capital.	Number.	Capital.
Bank of Japan	1	22,500,000	1	30,000,000
The Specie bank	1	4,500,000	1	12,000,000
National banks	133	48,951,100	125	46,666,100
Private Savings banks	92	1,889,355	153	11,015,000
Stock Savings banks	664	36,880,922	857	122,413,850
Corporate societies	19	2,933,900	24	4,678,900
Banks en commandite	67	6,461,908	85	7,989,674
Private banks	62	3,690,520	69	4,252,020
	1,039	127,807,715	1,315	239,015,544

the preceding table. The silver yen, in which the capitalization is given, was worth nearly a dollar at the old parity of gold and silver, but has been reduced to about fifty cents by the adoption of the new gold standard.

Banking and Financial Notes.

—The impression in the United States that Spain is near the end of her resources does not seem to prevail among the people and financiers of that country. The Madrid correspondent of "*L'Economiste Européen*," in the issue of July 30, calls attention to the fact that the placement of the loan of 100,000,000 pesetas ($20,000,000) for the insurrection in the Philippines did not result in sales of securities of the interior or foreign loans, of Cuban bonds, nor customs obligations. The entire amount subscribed seemed to have been taken from the uninvested savings of the people. The Treasury has also placed a considerable amount of five per cent. short-term obligations, with the object of reducing its debt to the Bank of Spain, which were offered and taken above par in currency by Spanish capitalists.

—The Government of Switzerland seems disposed to extend its propositions regarding silver coinage so as to provide for the coinage of silver five-franc pieces as well as the smaller silver coins. This action is not due in any degree to sympathy with bimetallism, but to the fact that both gold and silver have largely disappeared from the general circulation and that there is a scarcity of circulating medium. The Government has begun negotiations with the other states of the Latin Union for the purpose of obtaining authority for this coinage. The official statistics show that the importation of silver money has exceeded the exportation in ten years by over 100,000,000 francs, but these figures are probably nullified by unrecorded exports. The associated Swiss banks considered the subject of importing five-franc pieces at their annual meeting at Berne on June 12. The subject was referred to a committee, but now seems to have been taken up by the Federal Government.

—The Bank of England announced on September 8 a practice which may change somewhat the character of its business with the joint-stock banks. They made it known to the discount houses that they were ready to take three months' bills at two per cent., the practice hitherto having been for the Bank to take no bills with more than sixty days to run, while its business with the brokers has been mostly in bills with a currency of only seven to fourteen days. There is some expectation that this innovation will lead to complaints from the joint-stock banks that the Bank of England is using the money which they deposit with it to compete against them. The immediate effect attributed to this action, however, grows out of its indication that in the opinion of the directors there is no immediate prospect of dearer money.

—The production of gold in the Witwatersrandt region during July was 242,479 ounces, which was a trifle less than the production of May or June, but higher than any previous month. The total production for seven months has been 1,630,910 ounces, as compared with a production for the whole of the year 1896 amounting to 2,281,874 ounces, and for 1895 amounting to 2,277,635 ounces. The production for July, 1896, was 203,873 ounces, and 1,258,376 ounces for the seven months ending with July.

C. A. C.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

CHARGES ON COLLECTIONS.

A well-known St. Louis banker contributes the following interesting letter relating to a live banking topic :

"There is perhaps no branch of business which seems to be expected to do more gratuitous work than banking. The scramble for bank accounts seems to be the root of the evil and it is often so hotly pursued that, in the effort to get the account, inducements are offered, without reckoning as to costs; and I think it not unlikely that many banks who have not stopped to duly weigh the matter have numerous accounts in the keeping of which they absolutely suffer loss, in many instances far beyond what they could be brought to believe, without accurately figuring the matter down, and the tendency towards these conditions seem to be on the increase. For example, I know of instances where banks are expected to collect rentals without charge. The customer at the beginning of the month will bring in a pile of rent bills which the note clerk is expected to regularly enter up—send out notices, and in due course look after the collections of these items, just as he would after ordinary drafts or promissory notes—in a word, act in the capacity of a real-estate agent without charge for doing the same work the agent would get his commission on.

I believe a bank should make a charge on every outside item received on deposit sufficient to cover not only absolute outlay in the handling of it, but something in addition to cover labor and time involved and a reasonable profit; also on each collection handled, whether collected or returned unpaid, a charge should be made at least to cover the features of postage, time and labor involved.

Interest paying on current balances is believed by many conservative thinkers to be inconsistent with the principles of sound banking, and yet these very parties will receive on deposit at par items on outside points, and make collections without charge to an extent which, when figured on, would prove that they are suffering a loss in these matters which amounts to a very much greater rate of interest than any bank in the country could be induced to pay on daily balances. Of course I understand this is largely caused by a spirit of competition, but it is just that much addition to a bank's expense account as could be avoided by a little sensible co-operation between banks, and a fair understanding with customers.

My experience is that bank customers as a rule are not unreasonable, but while this spirit of unhealthy rivalry exists many will be led to take their account to the bank which will do their business for them cheapest.

More than two years ago the banks of the St. Louis Clearing-House entered into a binding agreement on this point of exchange and collections, and it was surprising to some of them how greatly an adherence to the rule has decreased their expense account. An actual calculation in some instances has proved that by doing this work gratuitously they were paying for the account at the rate of six or eight per cent. as shown by the daily balance-sheet, and of course no one can deny that this was an unhealthy business and that a bank would be vastly better off without such accounts than with them—this, too, on absolute cost of handling, without taking into consideration the labor and risk involved; and on this latter point, too, the general procedure is without reason or justice—due diligence is all that should be required; after that, when loss or unreasonable delay ensues, it should rightfully fall on the depositor. This point of due diligence may of course become a matter of difference, and may sometimes involve the question of direct correspondence or otherwise, as loss may sometimes ensue by reason of the roundabout route which collections are often allowed to take.

My idea is that, strictly speaking, a collection or item of exchange, if received at all, should be sent by first mail and in direct channel to the drawee point. This done, proper judgment exercised in the selection of correspondents, and the item promptly followed up for returns, I think the sending bank has done its duty and its responsibility in the premises should cease.

There is also now, between most of the St. Louis banks and their customers, an understanding to this effect, the justness of which is accorded without question. The bank after having pursued the course above stated is supposed to have done its full duty, and instead of carrying the item along indefinitely, in an unsettled condition, as heretofore, the item involved is at once closed out by the customer's check, who himself assumes the task of further pursuance—the bank of course rendering such facility and aid in the premises as may assist the customer in final realization on the item.

Reasonable charge in the cashing of outside items and in the making of collections, if persistently adhered to, instead of working a hardship on the merchant depositor, proves in the long run a benefit to him, as it naturally serves to discourage the system of non-direct payments, thus naturally decreasing the volume of foreign items. It is unreasonable to require a merchant to take payment for goods sold at a business centre in drafts payable elsewhere, and the country merchant should be required to pay the city house by its local bank's draft on a bank in the city where the purchase is made and the money is due; and if the banks in all the large centres would unitedly take the stand which the St. Louis banks took two years ago, the city merchants could, with good grace, demand such payments as above referred to, and in justice to themselves would be forced to do so. This might not be the popular course from the country bank's standpoint, but that matter would in turn have to be adjusted between the country bank, which ought not to be expected to sell exchange without proper compensation, and its local customer."

POSTING DAILY WORK.

The work of a bank, however few the items, should be closed up and posted *daily*. Some country banks post their ledger items but once or twice a week, and enter up the discounted paper once a week. It is impossible, with such methods, to keep an adequately close track of the business.

THE NEGOTIABLE INSTRUMENTS LAW.

The new law relating to negotiable instruments went into effect in the State of New York on the first day of October, and all commercial paper made and delivered since that time will be governed by its provisions, as also will all transactions after that date with respect to such paper as was made and delivered after the 19th day of May, the date on which the law was approved by the Governor.

It will be necessary, therefore, for all bankers to consult the statute carefully. As we have heretofore pointed out, the Act makes some important changes in the law.

Bankers will have to give attention especially to demand notes on which there are indorsers. The new law requires that in order to charge such indorsers the notes must be presented to the maker for payment within a reasonable time. As to what is a reasonable time will depend upon all the circumstances of the case; and no particular number of days or months can be fixed.

This is new law in New York, though it is the rule which has hitherto prevailed in most of the other States.

If demand notes which are indorsed are to be carried for some length of time it would be prudent to have the indorser waive demand and notice. This can be done by writing above his signature the words "protest waived;" for by section 182 it is provided that "a waiver of protest, whether in the case of a foreign bill of exchange or other negotiable instrument, is deemed to be a waiver not only of a formal protest but also of presentment and notice of dishonor." And if there is more than one indorser it might be well to have the waiver embodied in the instrument; for section 181 enacts that "where the waiver is embodied in the instrument itself it is binding upon all parties, but where it is written above the signature of an indorser it binds him only."

Attention is called to this matter especially because it is a forcible illustration of the necessity for a careful examination of the statute and a repeated perusal of it.

In the daily business of the bank cases will come up which will raise questions whether the law has not been changed in respects which have not yet been noticed; for in a work of this kind it is beyond human power to anticipate every possible or even probable case.

The only safe course then is for every banker to make himself familiar with the statute.

This is the first time that the law has been put into such form as to be easily accessible to bankers and other laymen.

There appears to be some misunderstanding in respect to the provisions governing protest and notice of dishonor. The Law Editor of the MAGAZINE has explained this matter fully in the present number in a reply to an inquiry from one of our correspondents.

Jos. C. Hendrix.

JOSEPH C. [illegible]

PRESIDENT [illegible]

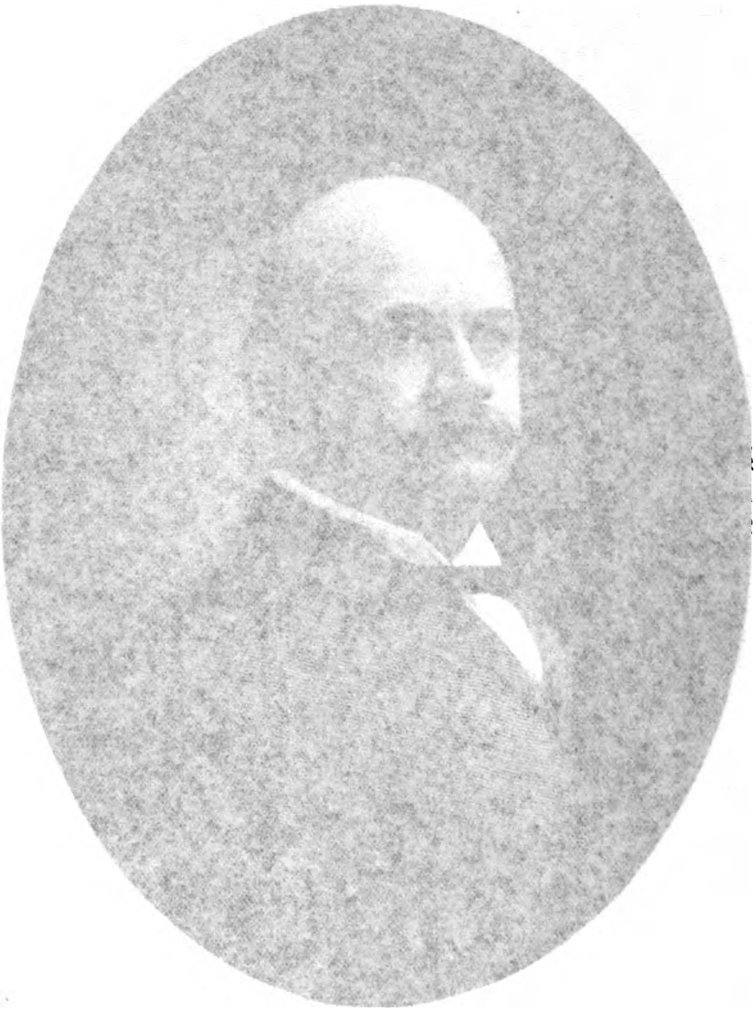
[illegible] C. Hendrix, who was elected P[illegible] [illegible] at its Twenty-third Annual C[illegible] [illegible] at Fayette, Howard Co[illegible] [illegible] Hendrix, was one of the le[illegible] [illegible] he reared one son, the subject of this [illegible] and as a successful banker, another [illegible] Methodist Episcopal Church, South, and [illegible] lawyer in Chicago.

[illegible] Hendrix was educated at Central C[illegible] [illegible] at Cornell University, Ithaca, N. Y. [illegible] and entered the employ of the New [illegible]

[illegible] 1888, Mr. Hendrix was nominated [illegible] [illegible] by Seth Low, now President [illegible] [illegible] ted Trustee of the New York and [illegible] [illegible] Brooklyn Board of Education and [illegible] Brooklyn.

[illegible] 1889 Mr. Hendrix organized the K[illegible] C[illegible] [illegible] capital and $250,000 paid [illegible] [illegible] building up this institution. [illegible] [illegible] one [illegible] and profitable [illegible] of rendering [illegible] possible service to [illegible] [illegible] the institution [illegible] and he aggres[illegible] [illegible] made it powerful. [illegible] Mr. Hendrix resigned the Pr[illegible] Kings County Trust Company, to accept the Presidency of the [illegible] of New York city, he was [illegible] by the Trustees with [illegible] expression of [illegible] appreciation of his services.

[illegible] National Union Bank, which was organized in 1895, by a combination of [illegible] of financial strength and influence, had as its directors [illegible] [illegible], President of the Mutual Life Insurance Company; William [illegible] Whitney, ex-Secretary of the Navy; [illegible] Olcott, President of the [illegible] [illegible] Company; Frederick Cromwell, Treasurer of the Mutual Life Insurance Company; R. Somers Hayes, President of the St. Paul and D[illegible] [illegible] A. D. Juilliard, one of the [illegible] men of New York; H. McK. Twombly, son-in-law of the late W. H. Vanderbilt; [illegible] Rogers of the Standard Oil Trust Company; John D. Crimmins [illegible] Metropolitan Traction Company; S. D. Babcock and G. G. Haven [illegible] and O. H. Payne, of the Standard Oil interests. These [illegible] [illegible] selected a sub-committee to look over the field and recommend a President. Mr. Hendrix was the choice of the board, and he was engaged at a [illegible] salary, and at the same time was permitted to continue as a member of



JOSEPH C. HENDRIX,

PRESIDENT OF THE AMERICAN BANKERS' ASSOCIATION.

Joseph C. Hendrix, who was elected President of the American Bankers' Association at its Twenty-third Annual Convention in Detroit, in August last, was born at Fayette, Howard County, Missouri, May 25, 1853. His father, Adam Hendrix, was one of the leading bankers of Missouri, and of the family which he reared, one son, the subject of this sketch, is distinguished in public life and as a successful banker, another is Bishop Eugene R. Hendrix of the Methodist Episcopal Church, South, and a third son, Wilbur F. Hendrix, is a lawyer in Chicago.

Mr. Hendrix was educated at Central College, Fayette, Mo., and subsequently at Cornell University, Ithaca, N. Y. He left college before graduation, and entered the employ of the "New York Sun."

In 1883, Mr. Hendrix was nominated for Mayor of Brooklyn, but was defeated by Seth Low, now President of Columbia College. He was then appointed Trustee of the New York and Brooklyn Bridge, became President of the Brooklyn Board of Education, and in 1886 was appointed as Postmaster of Brooklyn.

In 1889 Mr. Hendrix organized the Kings County Trust Company, with $500,000 capital and $250,000 paid-in reserve, and devoted himself with great energy to building up this institution. His efforts met with marked success, and the institution at once commanded a large and profitable *clientèle*. The principle of rendering all possible service to the customers of the company made the institution popular, and the aggregation of a large number of small accounts made it powerful. When Mr. Hendrix resigned the Presidency of the Kings County Trust Company, to accept the Presidency of the National Union Bank of New York city, he was presented by the trustees with a case of solid silver ware, in expression of their appreciation of his services.

The National Union Bank, which was organized in 1893, by a combination of financiers of unusual strength and influence, had as its directors: Richard A. McCurdy, President of the Mutual Life Insurance Company; William C. Whitney, Ex-Secretary of the Navy; F. P. Olcott, President of the Central Trust Company; Frederick Cromwell, Treasurer of the Mutual Life Insurance Company; R. Somers Hayes, President of the St. Paul and Duluth Railroad Company; A. D. Juilliard, one of the leading dry goods men of New York; H. McK. Twombly (son-in-law of the late W. H. Vanderbilt); Henry H. Rogers, of the Standard Oil Trust Company; John D. Crimmins, of the Metropolitan Traction Company; S. D. Babcock and G. G. Haven, retired bankers, and O. H. Payne, of the Standard Oil interests. These gentlemen selected a sub-committee to look over the field and recommend a President. Mr. Hendrix was the choice of the board and he was engaged at a large salary, and at the same time was permitted to continue as a member of

Congress to which position he was elected in 1892. The National Union Bank opened its doors for business on June 1, 1893, with $1,200,000 capital.

Mr. Hendrix was called to Washington in August to attend the special session of the Fifty-third Congress called to repeal the Sherman Silver Law. His was one of the first speeches in the debate, and he took a stand at once as a gold Democrat, arguing that one single stable standard of value was coming into the countries of the world by a process of evolution—that since history began the efforts of traders to get to a stable standard had thrown aside stone slabs, red feathers, female slaves, oxen, sheep, eggs, iron, tin, zinc, wampum, hides, tobacco—and everything else in use as currency, until values were pivoted in the precious metals—and finally upon the metal of greatest stability in value—gold. "The experience of the world," said Mr. Hendrix in this speech, "is all in one direction. The slow moving finger of Time has not changed its motion for a single second since 1798, when England made the change in her policy by subordinating silver to gold. Right along through the ages this process of monetary evolution has gone on. It is going on to day, and we in this House cannot stop it. We cannot control it. It controls us."

Mr. Hendrix favored unconditional repeal of the law and made one of the most aggressive attacks upon the variety of amendments made by the silver men. As a maiden speech, it was a notable success, was printed and widely circulated, and much quoted. The directors of the National Union Bank presented Mr. Hendrix with an engrossed set of resolutions of congratulation. The trustees of the Kings County Trust Company passed similar resolutions. Ex-Mayor A. S. Hewitt, of New York, himself a former member of Congress, wrote of this speech:

"I think it is one of the most admirable speeches ever made in Congress, and certainly the very best that ever came from a new member. Its charm, and perhaps its great merit, is its apparent freedom from the didactic element, although it is full of instruction even for those who understand the subject best. * * * I congratulate you most heartily upon the spontaneity which appears to pervade the speech, although it must have been the result of a great deal of reflection * * * There are not many men in the world who could clarify the confusion with which this subject has been enveloped by the ignorance as well as the perverted ingenuity of demagogues."

At the close of the debate, Mr. Hendrix secured the floor for a speech in defense of the American banker in the panic of 1893. It was a forceful rebuke to the persistent assumption that bankers had the making of panics. Referring to the function of the banker, Mr. Hendrix said:

"The money he handles chiefly belongs to those of small means. His debts are due chiefly to the middle class and the poor. Rich men know how to do their own banking, and they are rich and remain so because they keep but little money idle. The accumulations of the poor in the Savings banks pass through the banks of deposit and discount before investment. The money of a community is mobilized and distributed through the nerves and arteries of business by the banker's skill.

The corn in a railroad crib, the cotton plant growing on a plantation, the waving field of ripening wheat, the stored tobacco, the grazing herd, the sheep on the mountain side, the fattening pigs, the dairy by the spring, the machinery of the farm, the piano in the parlor, the carpet on the floor, the floating logs in the river, the reservoirs of water irrigating a rich soil and making a desert bloom, the rushing locomotive, the grain-laden barge on the lake, the turning mill-wheel—every witness of enterprise, industry and thrift, is related either to the debts which the banker owes or the debts which he has guaranteed. He gives a potency and volume to circulating money that is beyond the force of legislation, and instead of controlling the movements of money and the extension of credits, he is controlled by the conditions about him. When his debtors restrict their credits to him, he is obliged to restrict his credits to others.

It is his first interest, therefore, to maintain such faith in national finance that the humblest may feel secure that their deposits will remain at their full value in money; that general business will not be shocked or disturbed; that the farmer may raise good crops and get good prices, the laborer good wages, and the manufacturer prosper. There is no flood that destroys wealth, no pestilence that dulls or checks the producing power of the people, no blight that decimates the flock, no drought that causes the crop to fail, and no calamity or misfortune of any kind or degree that does not register itself through some vital nerve leading from the injured to the banker's box. He prospers with your prosperity; he suffers with your misfortune. He is at the nerve center of all your enterprises, and he feels the first thrill of a change in your condition.

Is it any wonder then that he is always on the side of good order, peace, upright living, honest dealing, public faith, a sound moral, legal and social code, and of good financial laws? Is it any wonder that he is against repudiation in any form, against financial experiments condemned by human experience, against coin clipping or debt clipping, against demagogy that stirs the passions, the prejudices and the malice of the unthinking poor, and against the abuse of legislative power in the selfish interest of any class? He is held fast in his position by high civilization. He disappears when social disorder runs mad."

Mr. Hendrix voted and spoke against the seigniorage bill, opposed vigorously the make-shift currency bill of the Fifty-third Congress, and was one of three Democrats who voted against the Wilson Tariff Bill at all stages, because of the income tax provisions, which were subsequently declared unconstitutional.

Declining a renomination to Congress, Mr. Hendrix devoted himself to the National Union Bank, which developed so rapidly that on July 23, 1897, four years and one month after its doors were opened, the bank showed by its official statement assets amounting to $20,097,724.53 and surplus and undivided profits of $730,000. Mr. Hendrix was a member of the Sound Money Committee of the Chamber of Commerce in 1895 and 1896, and was Chairman of the Sub-Committee on Finance.

Mr. Hendrix first appeared in the convention of the American Bankers' Association at the Chicago convention in 1893, where he read an interesting paper on "The Panic in Australia and in the United States." At the Atlanta convention in 1895 Mr. Hendrix was elected a member of the Executive Council, and subsequently was chosen as Chairman of the Council. He took hold of the Protective feature of the Association and has developed it to its present high degree of usefulness. He was elected Vice-President of the Association at St. Louis, Mo., in 1896, and at the convention in August last at Detroit was unanimously elected President.

Mr. Hendrix is a Councillor of the Long Island Historical Society, a Trustee of the Brooklyn Institute of Arts and Sciences, a member of the Committee on Admissions of the New York Clearing-House, and a Trustee of Cornell University.

NEW YORK STATE TAXES.—The total amount to be raised in direct taxes for next year on the equalized value of real estate, which aggregates $4,506,985,694, is $12,033,651, of which $4,101,356 is for school purposes, $2,947,610 for canal and general purposes, and $4,957,684 for the State care of the insane.

In addition to the amount of the tax the State will have other revenues aggregating about $8,500,000, of which $2,300,000 will result from the annual tax on corporations and the organization tax, $2,000,000 from collateral inheritance taxes, and $3,500,000 from the Raines Excise law. The estimated receipts under the latter are $3,250,000, but they will probably be nearer $4,000,000.

BANKING LAW DEPARTMENT

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

APPLYING DEPOSIT ON NOTE—BANKERS' LIEN.

Supreme Court of Appeals of Virginia, June 17, 1897.

BACON'S ADMINISTRATOR *vs.* BACON'S TRUSTEES.

If when a note held by a bank becomes due and payable, the bank has not sufficient funds of the maker to pay the same in full, it is not required to appropriate the deposit to the payment of the note; nor is it required to appropriate subsequent deposits to its payment.

Where securities are pledged to a bank for the payment of a particular loan or debt, the bank has no lien upon such securities for a general balance, or for the payment of other claims in the absence of an agreement between the parties to that effect.

The question involved in this case was whether the State Bank of Virginia could hold the estate of John L. Bacon on certain notes made by the Marshall Manufacturing Company, and indorsed by the decedent.

BUCHANAN, *J.* (omitting part of the opinion): At the time the notes were protested for non-payment there was on deposit in the bank to the credit of the company (the maker) a sum less than the amount of either of the protested notes, and there were afterwards at various times other sums to the credit of the company, all of which were checked out by the company. The appellants insisted in the trial court that the sum to the credit of the company when the notes were protested, and also an an amount equal to the largest sum to the credit of the company at any subsequent time, should be credited upon the notes as against the indorser's estate. This the court refused to direct, and its action is assigned as error here.

When the maker has a sufficient sum deposited to satisfy the note when it becomes due and payable, there seems to be a conflict among the authorities as to the duty of the bank to charge the note up to the maker as if it were a check upon the deposit, but if, when the note becomes due and payable, the bank has not sufficient funds of the maker to satisfy the debt, it is not required to appropriate the deposit to the payment of the note; neither is it required to appropriate subsequent deposits in such case to its payment. (2 Morse, Banks, § 562; 2 Brandt, Sur. § 432; *Bank* vs. *Smith*, 66 N. Y. 271; *Martin* vs. *Bank*, 6 Har. & J. 235; *Bank* vs. *Henninger*, 105 Pa. St. 496.)

In the year 1884, before the loans were made for which these notes were given, the Marshall Manufacturing Company had borrowed from the bank $6,000 and given its note therefor. To secure its payment, Mr. Bacon deposited with the bank sixty-three shares of the stock of the bank, standing in his name, as collateral. This note was renewed from time to time. After it had become reduced to $2,500, Bacon became indorser upon it, and it was paid off in the year 1886, at which time some of the notes in suit were in existence, and upon which Bacon was indorser.

The sixty-three shares of stock were allowed to remain with the bank in its collateral box. Afterwards Bacon borrowed money from the bank on his own account, and deposited with the bank other stocks as collateral. The bank seems to have treated the sixty-three shares of Bacon's stock as collateral for any indebtedness of the company upon which Bacon was indorser, or which had been negotiated by him for the company.

It appears that it was a habit of the banks (of the city), when collateral securities were deposited with powers of attorney, as in this case, and not on their face limited to a particular loan, and which are allowed to remain with the bank, to treat the collaterals as security for all loans made to the pledgor so long as the collaterals remain in the possession of the bank. It also appears that Bacon knew of this custom or habit, and acted on it as President of the bank as to others. At no time after the collateral was first deposited did the company owe the bank less than $6,000. The commissioner of the court reported that the sixty-three shares of bank stock could not be held by the bank as collateral to secure the notes sued on, but the court was of a different opinion, and so decreed.

Where securities are pledged to a banker or broker for the payment of a particular loan or debt, he has no lien upon such securities for a general balance, or for the payment of other claims, in the absence of an agreement between the parties to that effect. (*Loyd* vs. *Bank*, 86 Va. 690; *Reynes* vs. *Dumont*, 130 U. S. 354; *Wyckoff* vs. *Anthony*, 90 N. Y. 442; 1 Jones, Liens, § 251; 1 Morse, Banks, § 325.)

Whether the facts and circumstances of this case are sufficient to raise such an implied agreement on the part of Bacon, the indorser, as would authorize the bank to hold his stock as collateral to secure the payment of the notes in controversy, the judges (four sitting in the case) are equally divided.

It follows from what has been said that the decree complained of must be affirmed.

USURY—RECOVERY OF PENALTY.

Court of Appeals of Kansas, Northern Department, C. D., March 22, 1897.

TEAGUE, *et al.* *vs.* FIRST NATIONAL BANK OF SALINA, *et al.*

1. **Under the Revised Statutes of the United States (section 5198), which authorizes the person paying usurious interest to a National bank to recover twice the amount paid, several of the joint makers of a note on which legal interest is paid by such parties individually cannot unite in one action to recover such penalty.**
2. **The statute confers upon the parties separate rights. That they have paid equal amounts cannot change the rule. The cause of action accrues to the one paying the unlawful interest, and to each one making such payments. There is no cause of action to the makers of the note on which usurious interest is paid. The cause of action arises when the unlawful payment is made, and to each of the ones making such payments.**

(Syllabus by the Court.)

PROMISSORY NOTE—PROVISIONS FOR ATTORNEY'S FEE.

Supreme Court of Utah, July 2, 1897.

SALISBURY *vs.* STEWART, *et al.*

A provision in a promissory note for an attorney's fee in case the note shall not be paid at maturity does not render the note non-negotiable.*

This was an action upon a promissory note for $3,500, with interest at ten per cent. per annum, executed by the defendants, and payable six months after its date to the order of John W. Taylor, the assignee of the plaintiff. It also contained the following stipulation: "And in the event of a suit to

***This is the rule of the Negotiable Instrument Law. See Laws of New York, 1897, Ch. 12, § 21.**

enforce the collection of this note, or any part thereof, we further agree to pay the additional sum of ten per cent. upon the amount found due, as attorney's fees in said suit." Before its maturity the note was indorsed by the payee to the plaintiff. The defendants alleged in their answer, and offered to prove on the trial, that their signatures were obtained without consideration, by false statements of the payee, and promises which he did not perform, that would have been a defense to the collection of the note in his hands.

ZANE, *C. J.:* The error alleged presents for our consideration and decision the question, did the stipulation to pay ten per cent. on the amount recovered, as an attorney's fee, in the event of a suit to collect it, included in the note, destroy its negotiability?

While text writers generally agree that such provisions do not affect the negotiability of notes, the question has given rise to much judicial controversy and difference of opinion, and it is impossible to reconcile the numerous decisions on the point.

The question is new in this court, and we will endeavor to adopt the rule which our reason commends, and which we think is supported by the better line of authority.

The makers of the note promised to pay the holder $3,500, and interest thereon at ten per cent. per annum. This payment was subject to no contingency. It was certain in every respect, and it remained so until a breach of the contract by the defendants. In case the makers should not keep their contract, and it should become necessary to institute suit upon the note, the makers stipulated they would pay the necessary attorney's fee, and the law required them to pay the other costs. In that case the holder of the note would receive the $3,500 and the interest—precisely the amount the makers promised to pay him. In that event the holder would receive no more for his own use than he would have received had the makers paid according to their promise.

It appears right that the parties whose default caused the expense should pay it; that it should not be imposed upon the party who kept his contract. The party who keeps a contract should receive from the one who breaks it compensation for his loss.

If the defendants had kept their contract, the holder would have received $3,500 and the interest. They not having done so, the stipulation and the law required the makers to pay him that amount, and no more, for his own use, and to pay the costs of the court and the attorney's fee. Only the costs of the court could have been charged against the defendants without the stipulation. The stipulation, in effect, also added the fee of the attorney, if one should be employed to bring the suit, to the costs imposed by the law upon the defendants. The fee is for the attorney. If the employment of an attorney does not become necessary, or if one is not employed, the court should not allow such a fee, and the allowance should not exceed the amount charged by the attorney. The allowance is not as a penalty, as interest, or as a bonus. It is simply to pay the costs of enforcing the collection of the note by suit. And, if none is charged, none should be allowed against the makers, and no more than is to be actually paid should be allowed against the makers. That is, in legal effect, the stipulation.

The court should not allow the plaintiff, by deception, fraud and false pretenses, to obtain money as an attorney's fee, and then appropriate it to his own use. Plaintiff should not be allowed (as it is suggested they do sometimes) to cull a penalty, additional interest, or a bonus, as an attorney's fee, and by such deception and fraud to induce the court to impose burdens on the makers of contracts—to oppress them in that way or any other.

This reasoning proceeds on the presumption that the stipulation to pay the attorney's fee is not negotiable. In other words, the maker interposes the same defense to the attorney's fee when the note is in the hands of an indorsee who received it before due, for a valuable consideration, that he could have interposed if it had been sued upon by the payee. If the makers of the note in question had paid according to its terms, the stipulation for an attorney's fee would have been of no effect. A note becoming due in the hands of payee ceases to be negotiable in the sense that the indorsee takes it free from defenses before indorsement. The reason for the rule that the amount to be paid to the holder must be fixed and certain is that negotiable paper becomes a substitute for money, and for that reason it must indicate precisely how much money it represents. The note in question represented $3,500 and interest while it remained negotiable, and the stipulation further represented that, if suit should be brought, the costs of the remedy, including the attorney's fee, should be paid by its makers. The object of this stipulation was to make the note represent to the holder precisely the $3,500 and interest.

The amount of the court costs must depend upon the services rendered by its officers, and the amount of the attorney's fee must depend upon the amount to be paid him, or if suit is brought without the employment of an attorney, as it may be, no fees can be allowed.

The amount to be recovered by the holder of the note, which he may appropriate to his own use, is more certain with the stipulation than without it. Without the stipulation the holder realizes the amount of the principal and interest, less the attorney's fee, whatever that may be, when the maker fails to comply with his contract, but with the stipulation he realizes the principal and interest named in the note. The stipulation relates to the remedy, and not to the amount to be recovered and appropriated by the holder to his own use. The fact that the makers undertook to pay an attorney's fee if a suit should be brought to enforce the collection of the note did not render the note non-negotiable. (1 Daniel, Neg. Inst. § 62a; *Oppenheimer* vs. *Bank* [Tenn.] 36 S. W. 705; *Bank* vs. *Fuqua*, 11 Mont. 285; *Gaar* vs. *Banking Co.* 11 Bush, 180; *Sperry* vs. *Horr*, 32 Iowa, 184; *Bank* vs. *Anglin* [Wash.] 33 Pac. 1056; *Benn* vs. *Kutzschan* [Or.] 32 Pac. 763.)

In 1 Daniel, Neg. Inst., *supra*, it is said: "Such instruments should, we think, be upheld as negotiable. They are not like contracts to pay money and do some other thing. They are simply for the payment of a certain sum of money at a certain time, and the additional stipulations as to attorney's fees can never go into effect if the terms of the bill or note are complied with. They are therefore incidental and ancillary to the main engagement—intended to insure its performance, or to compensate for trouble and expense entailed by its breach. At maturity negotiable paper ceases to be negotiable, in the full commercial sense of the term, as heretofore explained, though it still passes from hand to hand by the negotiable forms of transfer; and it seems paradoxical to hold that instruments evidently framed as bills and notes are not negotiable during their currency because when they cease to be current they contain a stipulation to defray the expenses of collection."

In *Oppenheimer* vs. *Bank* (*supra*), the following language is used: "Upon a careful review of the authorities, we can see no reason why a note otherwise imbued with all the attributes of negotiability is rendered non-negotiable by a stipulation which is entirely inoperative until after the maturity of the note, and its dishonor by the maker. The amount to be paid is certain during the currency of the note as a negotiable instrument, and it only becomes uncertain after it ceases to be negotiable by the default of the maker in its payment. It is eminently just that the creditor who has incurred an expense in the collection of the debt should be reimbursed by the debtor by whom the action was rendered necessary and the expense entailed."

The judgment of the court below is affirmed.

BARTCH and MINER, *JJ.*, concur.

SUITS AGAINST RECEIVER OF NATIONAL BANK—JURISDICTION OF FEDERAL COURT.

United States Circuit Court, District of Washington, June 25, 1897.

SMITHSON *vs.* HUBBELL, *et al.*

The United States Circuit Court has not jurisdiction of a suit in equity against a Receiver of a National bank appointed by the Comptroller of the Currency, where the amount in controversy is less than $2,000.

In a suit by a creditor of an insolvent National bank in behalf of himself and all other creditors to enjoin the Receiver and the Comptroller from paying dividends on an alleged fraudulent claim which has been allowed by them, the jurisdictional amount is to be determined solely by the amount of complainant's own claim, and that by the aggregate of all the claims of those whom he assumes to represent, or by the amount of the dividends, the payment of which is sought to be enjoined.

HANFORD, *District Judge:* The complainant is a creditor of the Kittitas Valley National Bank, an insolvent National banking association, in the hands of a Receiver appointed by the Comptroller of the Currency, having proved and established his claim for the amount of $1,764.05, no part of which has been paid; and the object of this suit is to obtain an injunction to prevent the payment of dividends on a claim of the defendant Catlin, as Receiver of the Oregon National Bank, on the ground that said claim is fraudulent as to other creditors, for the reason that the same has been allowed by the Receiver of the Kittitas Valley National Bank and the Comptroller of the Currency, in an amount largely in excess of the true amount of all indebtedness from the Kittitas Valley National Bank to the Oregon National Bank; so that the payment of dividends on the claim as allowed will absorb so much of the assets of the Kittitas Valley National Bank that other creditors will inevitably suffer loss. The bill of complaint shows that there are other creditors having claims against the Kittitas Valley National Bank, amounting to over $20,000, exclusive of said claim represented by the defendant Catlin; and this suit was commenced and is being prosecuted by the complainant in behalf of himself and all others having an interest in the assets of the Kittitas Valley National Bank to be protected. The defendants have answered, denying the equities of the bill, and they also dispute the jurisdiction of the court to entertain the same. The case has been argued and submitted upon the complainant's application for an injunction *pendente lite.*

The several statutes defining the jurisdiction of the United States Circuit Courts do not, in my opinion, confer jurisdiction upon a circuit court of a bill in equity against a Receiver of a National bank, appointed by the Comptroller of the Currency, if the amount in controversy is less than $2,000. (*Hallam* vs. *Tillinghast*, 75 Fed. 849.) Therefore the question whether this case is within the jurisdiction of this court depends upon the determination of the question as to what is to be deemed as the amount in controversy. In behalf of the complainant, it is contended that as he sues in behalf of himself and others having claims amounting in the aggregate to more than $2,000, to protect the interests of all in the assets of the Kittitas Valley National Bank, which amounts to more than $2,000, and an injunction is sought to prevent the payment of dividends amounting to more than $2,000, by any test that may be applied, the sum or value involved in this particular suit exceeds the amount of the jurisdictional limit.

I am constrained, however, by the decisions of the Supreme Court of the United States to hold that the amount of indebtedness to the complainant, which is less than $2,000, must be taken as the amount involved, for the purpose of determining the question of jurisdiction.

In suing as a representative of a class of persons similarly situated, and having similar rights, the complainant brings into the case only the questions to be determined; and he is not to be considered as bringing into the case the separate claims and demands of other creditors. The law does not confer upon him the authority of an agent of other creditors for that purpose, nor authorize him to augment his own distinct claim for the purpose of making a claim within the jurisdiction of the United States Circuit Court. The rule in such cases laid down by the Supreme Court of the United States in the case of *Clay* vs. *Field* (138 U. S. 464–483) is as follows:

"The general principle observed in all is that if several persons be joined in a suit in equity or admiralty, and have a common and undivided interest, though separable as between themselves, the amount of their joint claim or liability will be the test of jurisdiction; but where their interests are distinct, and they are joined for the sake of convenience only, and because they form a class of parties whose rights or liabilities arose out of the same transaction, or have relation to a common fund or mass of property sought to be administered, such distinct demands or liabilities cannot be aggregated together for the purpose of giving this court jurisdiction by appeal, but each must stand or fall by itself alone."

In that case the question was as to the jurisdiction of the Supreme Court, but the same principle governs in cases where the jurisdiction depends upon the amount in controversy, whether the question is as to the jurisdiction of the Supreme Court or of a circuit court. This is made clear by the opinion of Mr. Justice Brown in the case of *Walter* vs. *Railroad Co.* (147 U. S. 370-374). The following excerpt bears directly upon the point:

"It is well settled in this court that when two or more plaintiffs, having several interests, unite, for the convenience of litigation, in a single suit, it can only be sustained in the court of original jurisdiction, or on appeal in this court, as to those whose claims exceed the jurisdictional amount; and that, when two or more defendants are sued by the same plaintiff in one suit, the test of jurisdiction is the joint or several character of the liability to the plaintiff. This was the distinct ruling of this court in *Seaver* vs. *Bigelows* (5 Wall. 208); *Russell* vs. *Stansell* (105 U. S. 303); *Trust Co.* vs. *Waterman*, (106 U. S. 265; *Hawley* vs. *Fairbanks*, 108 U. S. 543; *Stewart* vs. *Dunham*, 115 U. S. 61; *Gibson* vs. *Shufeldt*, 122 U. S. 27; *Clay* vs. *Field*, 138 U. S. 464).

The application for an injunction will be denied, and the case dismissed, for the reason that the case is not within the jurisdiction of this court.

AGENT OF STOCKHOLDERS—INDIVIDUAL LIABILITY OF STOCKHOLDERS.

United States District Court, April 10, 1897.

CHURCH *vs.* AYER.

An agent chosen by stockholders to take charge of the business of a National bank in liquidation cannot enforce the individual liability of stockholders, after all debts have been paid.

This was an action at law brought by Louis K. Church, Receiver of the Puget Sound National Bank, against Edwin Ayer, to enforce his individual liability as a stockholder, under Rev. St. § § 5151, 5234.

The defendant has filed an amendment to the answer, alleging that since the commencement of this action the Comptroller of the Currency has paid to all creditors of said bank, other than stockholders, the amount of their claims in full; that the expenses of the receivership and redemption of the circulating notes of said bank have been fully provided for by the deposit of money with the Treasurer of the United States; that under the provisions of the Act of Congress of June 30, 1876, as amended by the Act of August 3, 1892, a majority of the stockholders duly elected an agent of said bank; that the plaintiff herein duly transferred and delivered to him "all the assets of said association then remaining in the hands of the Receiver, or subject to the order of the Receiver or of the Comptroller of the Currency;" that all the provisions of said Acts have been fully complied with; that said agent is now proceeding to wind up and distribute the assets of said association; that said Receiver has been discharged; that said bank is no longer insolvent or in the hands of a Receiver; and that its debts have been paid. The amended answer further avers that certain persons have bought up a large amount of the claims against said bank, have advanced moneys to take it out of the Receiver's hands, and have issued a statement of its assets and liabilities, showing that it has nearly $100,000 of good assets with which to pay debts of some $18,000; that the acts aforesaid were done without defendant's knowledge or consent, except by notice of said meeting, and that said agent "is now seeking to enforce the demand in this action for no other purpose than to compel this defendant to contribute towards the payment of said claim an amount of $18,331.14 said to be due to creditors, although said agent has in his hands ample assets to pay the same.

Defendant further says that said A. S. Taylor, agent, instead of distributing the assets of said association among the stockholders who have been assessed, as required by said Act of August 3, 1892, is still endeavoring to enforce stockholder's liability against this defendant in the present suit, long after the outstanding claims against said association have been paid by the Comptroller of the Currency, and after the Receiver has been discharged."

The plaintiff moves to strike out the whole of said amendment, on the ground that it does not present any defense to said action. The first question of law thus raised is whether the Receiver has transferred to this agent defendant's liability as a shareholder to pay the debts of said bank. The statute provides that such shareholders shall be individually responsible for all debts of such an association, to the extent of the amount of their stock therein, and that the Receiver "may if necessary to pay the debts of such association" enforce such individual liability. (Rev. St. §§ 5151, 5234.)

The Act of 1892 provides for the election by the shareholders of an agent to wind up the affairs of the association after the "Comptroller of the Currency shall have paid to each and every creditor of such association, not including the shareholders, who are creditors of such association whose claim or claims as such creditor shall have been proved or allowed as therein prescribed, the full amount of such claim," etc., and that if such agent shall be elected, and a bond shall be duly filed, "the Comptroller and the Receiver shall thereupon transfer and deliver to such agent all the undivided or uncollected or other assets of such association then remaining in the hands or subject to the order and control of said Comptroller and said Receiver," and that such agent shall hold and dispose of such assets, and may sue and do all other lawful acts necessary to finally settle and distribute the assets and property in his hands. (27 Stat. 345.)

The plaintiff contends that the language of said statute is sufficiently broad to cover this cause of action for an uncollected asset of the association. It is clear that such agent can have no greater powers than those which were conferred upon the Comptroller and Receiver. The Receiver has the right to enforce the liability of the stockholder only when and "if necessary to pay the debts of such association." (*Kennedy* vs. *Gibson*, 8 Wall. 504.) The same statute of 1876 provides when the stockholders may choose an agent to take charge of the business of a bank in liquidation; that is, after the Receiver has had charge of it long enough to pay all its debts, and after its debts have all been paid, then the stockholders can select an agent to take charge of what remains of the assets." (*Bank* vs. *Eckels*, 57 Fed. 870.)

It is unnecessary, in the determination of this motion, to consider defendant's further claim that such a liability is not an asset of the corporation, and that the obligations now sought to be paid have been created since the failure of said association, and that, therefore, the individual liability of the shareholders cannot be enforced for their payment. The amendment to the answer alleges that all the debts of said association have been paid. The motion to strike it out is denied.

NATIONAL BANK—INSOLVENCY—PREFERENCE.

United States Circuit Court, Southern District of New York, May 15, 1897.

HAYDEN *vs.* CHEMICAL NATIONAL BANK.

Remittances made by a National bank in usual course of business to its correspondent before an act of insolvency committed are not preferences within Rev. Stat. U. S. § 5242, though the bank is actually insolvent at the time, and is closed by the Comptroller of the Currency before the remittances are received by the correspondent.

WHEELER, *District Judge:* The Revised Statutes (section 5242) provide, in relation to National banks :

"Sec. 5242. All transfers of the notes, bonds, bills of exchange, or other evidences of debt, owing to any National banking association, or of deposits to its credit; all assignments or mortgages, sureties on real estate, or of judgments or decrees in its favor; all deposits of money, bullion, or other valuable thing for its use, or for the use of its shareholders or creditors; and all payments of money to either, made after the commission of an act of insolvency, or in contemplation thereof, made with a view to prevent the application of its assets in the manner prescribed by this chapter, or with a view of the preference of one creditor to another, except in payment of its circulating notes, shall be utterly null and void."

The Capital National Bank of Lincoln, Neb., had an account of remittances and drafts with the defendant in New York, varying from day to day. January 18, 1893, the account on the books of the defendant was overdrawn $84,486.19. On that day the Schuster-Hax National Bank of St. Joseph, Mo., remitted by mail $2,000 to the defendant for the credit of the Capital National Bank. On the 19th the Packers' National Bank of South Omaha, Neb., remitted to the defendant $5,000 for the credit and advice of the Capital National Bank, and the Capital National Bank remitted a package of fifteen items of various sizes amounting to $815.79, another of thirty-two amounting to $2,935.60, and the account on the books of the defendant stood overdrawn $40,807.43. On the 20th the Capital National Bank remitted a package of twenty-seven items amounting to $735, and probably on the 21st it remitted another similar package amounting to $833.64, and the account stood on the books of the defendant overdrawn $25,515.32. On the 22d, Sunday, the bank examiner took possession of the Capital National Bank and it went into liquidation. On the 23d the defendant received the remittances of $2,000 of the 18th, and of $5,000, $815.79, and $2,935.60 of the 19th, and of $735 of the 20th, which it credited to the Capital National Bank, and it received notice by telegraph from the bank examiner of the suspension; and on the 24th it received the remittances of $833.64, which it likewise credited, and which left the account overdrawn $13,317.94. The plaintiff is the Receiver of the Capital National Bank, and this suit is brought to recover the amount of these remittances received by the defendant on the 23d. $11,486.39, and that received on the 24th, $833.64, as having been transferred by that bank contrary to the statute.

That the Capital National Bank had been insolvent for a long time next before these remittances is amply made to appear, and, if the prohibition had been made to turn upon insolvency, these transfers would unquestionably be void, and the defendant accountable for the proceeds; but the transfers would be as unquestionably good except for the statute, and only those made after an act of insolvency, or in contemplation thereof, are by that avoided. Till after these remittances the Capital National Bank was carrying on its business of banking in due course, without any act of insolvency shown to have been committed, and they were a part of that business, which was stopped by the bank examiner because of the bank's state of insolvency, and not because of any act arising from that state. Ultimately, but for this interposition, the bank must have been driven to such acts, but how soon cannot now be told. The transfers were complete when the remittances were mailed to the defendant, and must be considered as having been made in due course, and in continuation of lawful business, and not in contemplation of committing any act of insolvency. These transactions were like the ordinary business of such a bank, done over the counter in the usual way, and for character they are to be compared with the transactions of such business, which seem to be valid. (*Roberts* vs. *Hill*, 23 Blatchf. 312, 24 Fed. 571.)

The answer prays that, should an account be ordered, the plaintiff be decreed to pay to the defendant the amount due from the Capital National Bank, and such a decree is insisted upon in argument. That prayer in the answer would probably be insufficient for any affirmative relief to the defendant, but, whether so or not, the defendant is not entitled to anything from the plaintiff but its dividend, which cannot be decreed now. Bill dismissed.

NATIONAL BANKS—ULTRA VIRES—ACTION ON MUNICIPAL BONDS.

Supreme Court of Mississippi, March 29, 1897.

TOWN COUNCIL OF LEXINGTON *vs.* UNION NATIONAL BANK.

In an action by a National bank on railroad aid bonds, the obligor cannot set up as a defense that the purchase of the bonds by the bank was *ultra vires*.

This was an action by the Union National Bank against the Town Council of Lexington on certain railroad aid bonds issued by the municipality.

CALHOON, *Special Judge:*

The fact that a National bank holds the bonds, even if by purchase, which is not the case, is of no use to appellant. The United States only could complain.

DEPOSITS PAYABLE UPON A CONTINGENCY.

Supreme Court of Kansas, April 10, 1897.

AMERICAN NATIONAL BANK OF ARKANSAS CITY, *et al. vs.* PRESNALL.

1. It is within the power of a bank in which a deposit of money has been made or otherwise provided to hold the same, and pay the money out upon the happening of a certain contingency agreed upon by the interested parties; and, where such an arrangement is made, a deposit slip or receipt issued by the Cashier of the bank in the usual and ordinary course of business is *prima facie* evidence of the liability of the bank.
2. The fact that the money deposited or otherwise provided for was not credited upon the books of the bank will not change the nature of the transaction, nor relieve the bank from the liability which its managing officer assumes.
3. Bank *vs.* Qinton, 48 Pac. 20, 58 Kan. ——, followed.
4. The testimony examined, and *held* to be sufficient to sustain the finding that the contract in question was made with the bank, and not with its Cashier as an individual, and that it was bound to deliver money, and not checks, when the conditions upon which the deposit was made had been complied with; and, further, that it is sufficient to sustain the general verdict.

(Syllabus by the Court.)

DEPOSIT OF CHECK—WHEN BANK HOLDER FOR VALUE.

Supreme Judicial Court of Massachusetts, May 22, 1897.

SHAWMUT NATIONAL BANK *vs.* MANSON, *et al.*

Where a bank receives a check on deposit, and permits the depositor to draw against it before the amount is collected thereon, it is a holder for value.

At the trial the plaintiff introduced the check (for $892.50) declared on, and thereupon the defendant Manson introduced evidence tending to support the defense alleged in the answer, of fraud and illegality. The plaintiff, then, by its paying teller and bookkeeper, showed that the check in suit was deposited with it, and passed to the credit of Pennycuick & Co., in the ordinary course of business, and without any special understanding or agreement regarding the same, on Saturday, December 21, 1895, and then credited on the books of the banks to the credit of Pennycuick & Co.; that said check went through the clearing-house, and was presented to the bank on which it was drawn on Monday, December 23, when it was refused payment and returned to the plaintiff; that on the opening of the day's business on December 21 there was standing to the credit of the defendant Pennycuick a balance of about $68; that on Monday, December 23, and before the defendant's check was returned to plaintiff, said Pennycuick & Co. presented their own check for one thousand dollars ($1,000), which the paying teller, not knowing that the check in suit had been dishonored, paid in cash.

The paying teller testified that, according to the usage prevailing between banks and their depositors, checks deposited with them were credited to the depositor, and forwarded through the clearing-house for collection, and that said depositors were not entitled to draw against said deposits until such checks had been paid; that in this case there was no special understanding regarding the check in suit; and that the check in suit had not been treated differently from any other checks deposited in the usual course of trade. At the time the $1,000 draft was paid, the teller understood there was that amount to Pennycuick's credit.

There was also evidence tending to show that the plaintiff bank was a member of the clearing-house association, according to whose written constitution it was provided "that they (the said banks) receive checks and items payable by other banks, for collection, as agents only, and do not hold themselves liable for any loss or damage which may accrue through the default of any bank or banks upon which said checks and other items may be drawn."

The defendants asked the court to rule (1) that, if the check in suit was given in settlement of margins, the check was tainted with illegality; (2) if the defendant Pennycuick was to hold the check, and, contrary to agreement, put it in circulation, the check is tainted with fraud; (3) the deposit of the check in suit being made without any special agreement, it must be treated as made in the usual course of business, and the plaintiff was the holder simply as an agent for collection, and not as a purchaser; (4) the fact that the plaintiff bank paid out on December 23 a sum in excess of the amount of the check does not make it a holder for value; (5) the plaintiff has no case against Manson, on all the facts as stated.

But the court refused so to rule, and found for the plaintiff, ruling, viz.: "Without passing upon the question of fraud or illegality, I find the plaintiff is a *bona fide* holder for value."

FIELD, *C. J.:* This action was tried by the court without a jury, and the finding of the court, that "the plaintiff is a *bona fide* holder of the check for value," renders the first two requests of the defendant Manson for rulings immaterial. The check was deposited with the plaintiff on the day of its date, and therefore cannot be considered as overdue when it was taken by the plaintiff. (See *Ames vs. Meriam*, 98 Mass. 294; *Bank vs. Harris*, 108 Mass. 514; *Bill vs. Stewart*, 156 Mass. 508.)

The plaintiff received the check from the payees, who indorsed it, and credited the amount of the check to the payees in their account as depositors, and permitted the payees to draw against it before it received notice through the clearing-house that the check had been dishonored. This made the bank a holder for value, and there is no doubt that the evidence sustains the finding that the bank received the check in good faith. (See *Bank vs. Gosline* [Feb. 27, 1897] 46 N. E. 406.) Exceptions overruled.

PROMISSORY NOTE—PRESUMPTION OF CONSIDERATION.

Court of Appeals of New York, May 4, 1897.

DURLAND *vs.* DURLAND.

In an action upon a promissory note, the holder, by introducing evidence to show an actual consideration, does not waive his right to avail himself of the presumption of consideration which the law affords; nor is the defendant relieved from the burden of proving his defense.

This was an action upon a promissory note.

MARTIN, *J.* (omitting part of the opinion): The appellant contends that because the respondent introduced evidence to show an actual consideration, therefore she cannot avail herself of the presumption which the law affords. With this contention we do not agree. We think it cannot be properly held that the plaintiff, by giving evidence showing an actual consideration, thereby waived the right to avail herself of the presumption which the law affords, or that it relieved the defendant from the burden of proving his defense.

PROMISSORY NOTE—CONDITIONAL DELIVERY.

Court of Appeals of New York, May 14, 1897.

HIGGINS *vs.* RIDGWAY.

As between the original parties and others having notice, a conditional delivery, as well as want of consideration, may be shown; and parol evidence that the delivery was unconditional, and of the terms of the condition, is not open to the objections of varying or contradicting the written contract.

MARTIN, *J.:* This action was brought by the plaintiff, as Receiver of the North River Bank, upon a promissory note dated October 31, 1890, whereby the defendant promised to pay to the order of himself $14,250 at the North River Bank. The note was indorsed by the defendant and delivered to the President of the bank at which it was payable. The defendant interposed an answer denying that the note was delivered for value, or that there was any amount due thereon.

As a further defense he alleged that it was without consideration, made for the accommodation of the bank, and delivered upon an express agreement that the defendant should not be held liable thereon. At the time the note was made the defendant was a clerk for Paige, Carey & Co. Paige was a director of the bank, and the firm had extensive dealings with it.

There was a conflict in the evidence as to what occurred between the parties when the note was delivered, but as the jury found in favor of the defendant, his version of the transaction must be regarded as correct.

He testified that he knew the President and Cashier of the bank, and that he had a conversation with the former at the time when the note in suit was given, and also when the original note was made which it was given to renew; that in 1889, when the first note was delivered, the President told him he wanted him to make a note for $15,000; that he asked him what it was for; told him that he was a clerk; was not responsible for 15,000 cents; his note was not good; he could not pay it; that he didn't want to do any such thing; that he then asked the President what it was for; that the latter replied it was for the bank; that he then replied, "I don't want to make a note for any purpose, because I am not responsible and could not pay it, and I don't want to do it;" to which the President then replied, "You will not be responsible for it; you will not be held on the note; you will get nothing for it, and I tell you that you will not be held on the note."

He further testified that he had another conversation with the President at the time the note in suit was delivered; that he did not want to renew it, and he told the President he did not, to which he replied, "You take no risk on it; you are not held on the note; you assume no obligation on that note."

The defendant also testified that he received no benefit from the note, either from the bank or otherwise.

On the trial the plaintiff requested the court to direct a verdict in his favor for the amount of the note, which was denied, and he duly excepted. He also excepted to that portion of the charge which submitted to the jury the question whether the agreements or transactions were as claimed by the defendant, and instructed them that, if they found they were, their verdict should be for the defendant. These exceptions present the only matters to be determined upon this appeal.

In the discussion of them, the facts testified to by the defendant must be regarded as established. The defendant's indorsement was for the accommodation of the bank, and he received no benefit from the note. This was known and understood by the President when the note was delivered. It was delivered to him while acting for the bank. Thus the question is presented whether the transactions and agreements testified to by the defendant constituted a valid defense to the action, his note having been without consideration, and delivered upon the express condition that he should not be liable thereon.

In *Bank* vs. *Colwell* (57 Hun, 169) where, at the time a note was discounted, there was a distinct understanding, between the maker and the bank discounting it, that the former should incur no liability by signing the note, it was held that he was not liable thereon to the bank which discounted it. The decision in that case was based upon *Benton* vs. *Martin* (52 N. Y. 570) and *Seymour* vs. *Cowing* (4 Abb. Dec. 200).

In the Benton case it was held that instruments not under seal may be delivered to one to whom they are payable upon conditions, the observance of which is essential to their validity; that the annexing of such conditions to the delivery is not an oral contradiction of the written obligation; that, as it needs a delivery to make an obligation operative, the effect of it, and the extent to which the instrument is to become operative, may be limited by the condition attending its delivery; and that, as between the original parties and others having notice, the want of consideration may be shown.

In *Seymour* vs. *Cowing* it was in substance held that, where one party delivered his notes to another, the person delivering them might prove that they were not delivered as binding obligations against him, and that they were without consideration, and consequently void.

In *Bookstaver* vs. *Jayne* (60 N. Y. 146) it was held that any instrument not under seal, including a promissory note, may be delivered upon conditions, the observance of which between the parties is essential to its validity. The question here arises whether the transaction, as testified to by the defendant, constituted a conditional delivery of the note, so as to fall within the principle of the foregoing cases, or whether the defendant's testimony was an attempt to vary or contradict the written contract between the parties, and consequently inadmissible.

We think the import of the defendant's evidence is that the delivery of the note in suit, as well as the note it was given to renew, was conditional, and was for the accommodation and to serve some particular purpose of the bank. Therefore, as there was no consideration for the note, and as the bank could not be regarded as a *bona fide* holder, we are of the opinion that the plaintiff's exceptions to the refusal of the court to direct a verdict for the plaintiff, and to the charge of the court, were invalid.

We think the learned general term properly disposed of the case, and that the judgment should be affirmed, with costs. All concur. Judgment affirmed.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: NEW YORK, Sept. 30, 1897.

SIR:—Section 189 of the Negotiable Instruments Law provides as follows: "Where any negotiable instrument has been dishonored it may be protested for non-acceptance or non-payment, as the case may be; but protest is not required except in the case of foreign bills of exchange." Does this not change the law? It has always been the custom of banks to protest all paper for non-acceptance or non-payment. If, for example, we receive from a Buffalo correspondent a draft made in that place on a person in New York, and the draft is not paid when presented and we do not protest it, is the indorser discharged? CASHIER.

Answer.—The statute does not change the law in this respect. Formal protest of a promissory note or inland bill of exchange was not required prior to the statute, but in order to charge the indorser it was necessary that the note or bill should have been duly presented for acceptance or payment, as the case might be, and if dishonored notice given to the drawer or indorser. The presentment might be made and the notice given by a person other than a notary, though usually it was done by a notary; and the latter was the safer and better course, because it afforded the most certain and convenient mode of proving the demand and notice.

The Negotiable Instruments Law requires demand and notice as before. By Section 130 it provides that "except as herein otherwise provided presentment for payment is required to charge the drawer and indorsers." And Section 160 requires that "except as herein otherwise provided, when a negotiable instrument has been dishonored by non-acceptance or non-payment, notice of dishonor must be given to the drawer and to each indorser, and any drawer or indorser to whom such notice is not given is discharged."

But as to foreign bills the Act requires that "where a foreign bill, appearing on its face to be such, is dishonored by non-acceptance, it must be duly protested for non-acceptance, and where such a bill which has not previously been dishonored by non-acceptance is dishonored by non-payment, it must be duly protested for non-payment." (Sec. 260.) But protest in any case is permitted by Section 189, which declares that "where any negotiable instrument has been dishonored it may be protested for non-acceptance or non-payment, as the case may be; but protest is not required except in the case of foreign bills of exchange."

These sections simply enact the law as it existed prior to the statute; that is to say, it is required in all cases that presentment shall be made for acceptance or payment, as the case may be, and that notice of dishonor shall be given to the drawer and indorsers; but, except in the case of foreign bills, this duty is not necessarily performed by a notary, and there need be no formal protest, though the latter course is permitted in all cases, and is the better practice.

Editor Bankers' Magazine: DES MOINES, Iowa, June 27, 1897.

SIR:—A check payable to the order of John Smith and properly endorsed "John Smith," making it payable to bearer, is endorsed "pay to the order of Peter Jones, (signed) A. B. C., Cashier." The bank on which it is drawn pays the check without the endorsement of Jones, probably an oversight, but defends its action on the ground that the endorsement of Smith makes the check payable to bearer and that no subsequent endorsement can change it.

CASHIER.

Answer.—The rule appears to be that where an instrument payable to bearer is endorsed specially, it continues to be payable to bearer, but the person endorsing specially is liable as an endorser to only such holders as make title through his endorsement. (*Johnson* vs. *Mitchell*, 50 Tex. 212.) Hence, in the case stated in the inquiry, the drawee bank was authorized to pay the check without the endorsement of the special endorsee.

Editor Bankers' Magazine: ONEONTO, N. Y., Sept. 27, 1897.

SIR:—Referring to laws of State of New York, 1887, Chapters 289 and 261, will you please advise me what penalty or liability a National bank assumes by discounting notes, cashing checks, or transacting its usual banking business on Saturday after twelve o'clock M. Will you please refer us to cases, if any, where a bank in this State has suffered loss by reason of having transacted its usual business on Saturday afternoon? In your opinion should a National bank remain open or closed on Saturday afternoon? Many banks in this locality do not observe the Saturday half-holiday, while others do, therefore we should be pleased to have the above questions fully answered in your next issue.

SAML. H. POTTER, *Asst. Cashier.*

Answer.—The statute does not require the banks to close at twelve o'clock noon on Saturday; and they may keep open after that hour if they see fit to do so. They may receive deposits and pay checks up to any hour; for the statute governs only the matter of presentment for acceptance or payment. But checks or other paper presented after twelve o'clock noon, and dishonored, could not be protested; and for the purpose of holding an indorser, further presentment on Monday would be necessary. This part of the bank's business is governed by Section 115 of the Negotiable Instruments Law, which provides that "instruments falling due on Saturday are to be presented for payment on the next succeeding business day, except that instruments payable on demand may, at the option of the holder, be presented for payment before twelve o'clock noon on Saturday, when that entire day is not a holiday."

Editor Bankers' Magazine: ————, Ind., Sept. 4, 1897.

SIR:—(1) The Comptroller of the Currency notified a certain National bank that its capital stock was impaired to an extent that made necessary an assessment of 100 per cent. and directed said bank to pay its deficiency in capital stock by an assessment of 100 per cent. payable in monthly installments. The directors then made an assessment of 100 per cent. payable in six monthly installments. The time for payment of last installment is past and bank is still doing business. Is assessment legal and can collection be made at law?

(2) A was an owner of stock in the above-mentioned bank when assessment was made and when sixty per cent. of it was due and without paying any part of it he, A, sold his stock to B for a reasonable consideration and returned the original stock certificates that had been assessed to the bank and they issued new certificates to B. Does this release A from any and all liability?

(3) Is B liable for the whole amount of assessment or only that which has become due since he purchased said stock, he, B, having been notified both by A and the bank before the stock was issued to him that there was an assessment of 100 per cent against said stock and that sixty per cent. of it was then due and unpaid. PRESIDENT.

Answer.—The statute authorizes an assessment upon the stockholders for the purpose of restoring impaired capital; but whether the assessment was valid in this particular instance will depend upon the circumstances of the case, and without full information as to all the facts we could not express an opinion on the point.

(2) As the assessment was made prior to the sale and transfer of the stock, A's liability had become fixed and he could not avoid the same by transferring his stock; nor would the transfer of the stock upon the books of the bank have the effect of releasing him; for the assessment is for the benefit of the creditors of the bank, and the officers are without power to give such a release.

(3) While the bank could undoubtedly hold A on the assessment, it might, we think, acting in good faith, regard the liability of B as substituted for that of A, and make claim upon him; but such election would have to be exercised in good faith for the purpose of collecting the debt; and if A is responsible and B is not, such election could not be deemed made in good faith.

Editor Bankers' Magazine: COLUMBIA, Pa., Sept. 6, 1897.

Sir:—A partnership of two members adopt a firm name..................Co. One of the members signs the note of the Co. simply..................Co. Is this negotiable paper? and can the members be held individually? The members of the Co. are strong financially.

J. H. SEAMER, *Cashier.*

Answer.—If the concern is in fact a partnership, and not a regularly incorporated company, the partners are individually liable on the paper, notwithstanding it was executed in the firm name. (*Onondaga County Bank* vs. *De Puy*, 17 Wend. 47; *Whitaker* vs. *Brown*, 16 Wend. 505; *Sedgwick* vs. *Lewis*, 70 Pa. St. 221.) In bringing suit upon the note, the proper form is to allege that the defendants are partners, doing business under the firm name and style of............Co., and that under such name and style they made the note, etc. Whether the instrument is negotiable or not will depend upon the terms thereof.

But in case of partnership paper, whether negotiable or not, it is not a defense to any of the partners that the partner making the paper made it for his own benefit, or in violation of the partnership agreement, unless this fact was known to the person taking the paper. (*Onondaga County Bank* vs. *De Puy*, *supra*.

ORGANIZED CAPITAL: ITS PRIVILEGES AND ITS DUTIES.

[A paper presented at the annual meeting of the American Bankers' Association, held in Detroit, August 17, 18, and 19, by Harvey J. Hollister, President of the Grand Rapids Clearing-House, and Cashier of the Old National Bank, Grand Rapids, Mich.]

It is doubtless true that in no other country of the world is the principle of association of capital applied more fully than in the United States. It is to this principle we are indebted for the enormous increase of the railway, manufacturing and commercial interests during the last twenty-five years. The opening up of our national domain and the development of our immense natural resources would not have been possible without the practical application of organized wealth, and certainly no such system of banks as we now possess could have been established. As enterprises open up fresh fields and nature pours out her wonderful gifts to the intelligent seeker, the outgrowth of property, under intelligent management, is becoming more and more immense; its forms so diversified, its influence so extensive, that it has become in the eye of the people a controlling power, and one socially well-nigh unmanageable. As another has said, "The human mind stands bewildered in the presence of its own creation, but the time will come when human intelligence will rise to the mastery over property and define the relations of the State to the property it protects, as well as the obligations and the limits of the rights of its owners. The interests of society are paramount to individual interests, and the two must be brought into just and harmonious relations.

As a question between equal rights and unequal rights, between equal laws and unequal laws, between the rights of wealth and the power of justice and intelligence, there can be little doubt of the ultimate result.

Meantime the battle is on between these contending forces, one knowing what it wants and making direct for its object, the other with badly organized front, and attempting only futile flank manœuvers of legislation.

The idea of *property* was of slow formation in the human mind. This idea finally became a permanent motive, and marks the commencement of civilization. The evolution of this idea of property occupies a remarkable portion of the mental history of mankind; but now, as Mr. Morgan says in his *Ancient Society*, "The dissolution of society bids fair to become the termination of a career of which property is the end and aim." Property in the hands of the individual is limited, in large degree, in its power to do harm, yet remaining a power for *good* or evil affecting entire communities. Money, with a human personality and conscience back of it, is never wholly bad. When this form of power is concentrated, as in these days it has become to a much greater extent than ever before in the history of civilization, and when, as is usually the case, such combinations lose the human personal quality in action, it becomes a problem so serious, so difficult of solution, so unmanageable that legislators and jurists confess their insufficiency to duly protect society.

Properly used, this concentrated power in the form of money or capital is a tremendous force that will work out beneficent results; improperly used, its results are, as it affects general society, disastrous. Nothing can be more apparent to any observer of the facts as they exist in this country. I am not here to teach any system of ethics, to inflict any didactic discourse upon my fellow bankers, nor to treat the subject except as it bears upon our own line of work. We are seeking to carry forward our own line of work with what wisdom we possess and what we gather from experience while surrounded by the noise of the conflict. We cannot take ourselves out of the argument if we would. We are forced in, and we very well know that few days pass in which from some source we are not assailed as the instruments of the "money power" of the land, and that, too, as though we were the cruel, heartless enemies of society. While such a sentiment is far from universal, so loud is the cry, so persistent this claim, and so respectable the force of attack, that in sheer self-defense we are called upon to give a reason for our existence.

Is the business that we follow to be classed among those that oppress—that make the life of the average citizen a burden? We are the representatives of capital organized in the most far-reaching sense. What are our privileges, what our duties?

In the eye of the law an incorporated bank can do nothing which an individual with the same capital may not do, except to issue our current notes on the faith of our collaterals, bought with money. A private banker may do everything an organized bank may do except that. As either private or incorporated banks we are the organizers of capital and its custodians. As incorporated banks we are privileged to carry the Government's sanction of examination and report, and thus its direct countenance to the contribution of capital to our fund. This safeguard to the public is at the same time our greatest privilege provided by law. All other provisions of law are limitations, strictly, upon our powers. They do not enlarge our limits, they contract them. The spirit and the letter of the law is "thou shalt not." From the standpoint of legal privilege, the public has nothing to complain of with regard to our incorporated banks. The private banker has much more liberty. While we are thus limited in the scope of our operations by laws based upon the best results of the past, at the same time latitude enough exists for every person or persons who desire to take up the business and enlarge upon legitimate lines. If the banking capital of this country were all placed under one direction, no other power would seem so mighty or possess equal influence; wisely this is not the case. In no land under the sun is this power of property more evenly distributed than in our own; in no country with a population approximating is capital more readily obtainable through legal organization. The laws governing our organization, both State and national, are, for the most part, easily comprehended, not unduly restrictive, and if faithfully carried out the institutions working under them prove of value to the individual and community. It is true that we are constantly reminded that we are dealing with an imperfect system, that all the financial ills of the land are owing to our imperfections, and yet, under these laws, what a marvellous development of our material resources has transpired, largely and safely carried forward, as we believe, by the aid rendered by the organized capital of the banks.

I should say that the legal privileges conferred upon the banks of this country were sufficient. I know that we are often importuning for relief of some kind, but under prudent management have we much to complain about? Are not our ills those of our own making? Do we not war overmuch one against the other? Is not here our weakness? In the strenuous competition for business do we not overstep the bounds of safe banking? Who of us can claim exemption? He that is without fault let him stand up.

Our greatest privilege however is not of legislative making; it inheres in the nature of our business. We receive and organize practically, without solicitation, the unemployed capital of the people, and should hold it for the useful purposes of the community from which it is gathered. Where money can act in promoting civilization's effort, there we are privileged to stand as civilization's "advance agents." What individuals cannot do alone, we can do when we organize their capital.

Having our share of privilege, what becomes of our duty? This is the side which, as a reasonable class of men (and we claim so to be) we ought most carefully to consider. If we have any regard for the respect and confidence of our fellow citizens, and if we are, as we profess to be, important factors in enlarging the prosperity of the people, it is our duty to consider the matter seriously, for not before in my experience of more than forty years as a banker has the business that engages our attention been more grievously and persistently assailed.

If "property has its duties as well as its rights," it were well for us who handle it in its most concrete form to occasionally discuss this subject at our annual gatherings. We never omit to discuss with earnestness our rights. The life of the communities where and by whose activity we exist are pressing home upon us for our position regarding our duties.

DUTIES.—In the first place, it is our duty to help to educate the people as to the real relations we bear to their material welfare; in what way, or ways, we are a means of promoting the general prosperity. Too long this has been disregarded. We have neglected our opportunity. No such bitter feeling could have been entertained as existed during the political campaign of 1896, had the true relations of the banks to the well-being of the people been known. Who can make them better known than those most intimately acquainted with them? With an open press at our doors, ready to be the vehicle of imparting information, and in the midst of reading communities, who is to blame if demagogues, political tricksters, and ignorant declaimers poison the minds of the uninformed, while we hold our peace? There can be but one answer. Content if only we can make dividends, we let this mistaken judgment continue to increase until even the most intelligent and law-abiding elements in society begin to question and criticize. An honestly conducted "literary bureau" in every banking town is a veritable need.

As administrators of capital, we owe it to ourselves to so conduct our business as to *command* the respect of our fellow citizens; without their respect we cannot hope to enjoy their confidence, and without their confidence we need have no expectation of success. We owe it to ourselves to improve the moral of our profession; to correct public opinion when in error and to stand upon our defense against unjust accusation. To insure the confidence and respect which we seek, we must be courteous, frank, firm and just.

If we, as corporations, enjoy equal privileges with the individual under the laws, how can we avoid the conclusion that, as corporations, we are bound to assume equal obligations? Associated capital is bound to bear its true proportion of the burdens of society. Some of you may say, and properly, that as the laws now work the banks of this country bear more than their share; if so, it is but our duty to make the fact apparent, and so apparent "that he that runs may read."

Does the corporation assume any responsibility to a community over and above a legal one and a pecuniary one? Most certainly. As its power through concentration of capital and savings increases, its responsibility to every worthy cause increases. Here is where we fail in duty most of all. Aggregations of money in hands of official boards lose personality. Boards are machines to direct the making of money. The giving of money is left to the individual. In one sense it is right to say that we have no right to spend other people's money. In a larger sense it is right to say that no one has a right to expect, when he contributes to the capital of any enterprise, that the newly created individual shall not do its share in every good work of the community by whose grace it lives. Corporations *should have* souls. Within reasonable limits, every worthy cause of charity and civilization should have our recognition. In some of our larger cities, I am aware, this principle prevails to a certain extent. We need to educate *all* ourselves to belief and practice in similar actions. We must give as legally constituted bodies, as well as *make* as such. The corporation is but an aggregate of individuals. Is the individual, with all his sense of responsibility and conscientious obligation to society, to be lost when he becomes a part of this aggregation? In this day of tremendous mental as well as business activity the individual will be left far behind if he consents to be swallowed up in the organization. If so, then indeed society has much to fear from corporate action. Is not this belief the underlying cause of most of the feeling that exists towards us?

Banks should be mutually helpful; there should exist no spirit of antagonism that will prevent a union of strength in times of great emergency; a concentration of resources for mutual service to each other, and the community, is a prime duty. No solvent bank or industrial institution should be allowed to go to the wall if it is within the power of the *associated* capital of any community to prevent. The jealousies and rivalries that often exist in a community are not only hurtful, but dangerous. How can any community have faith in us unless we have faith in each other?

The bank should stand in every community as the supporter of law and order, sobriety and good morals; it will not do to have your community, or mine, settle down upon the belief that corporations have no souls. It is a false position to occupy, and it must not be true. In a business sense it is not true! Analyze the history of our banks during the last four years. Which one within your circle of acquaintance has not been acting out the principles of the Good Samaritan? Ah, but, says some carping critic, only in self-defense has this course been pursued. How far from the fact? Had not a spirit of forbearance and helpfulness been exercised as never before? Where without the generosity even of the banks would be many of our industrial institutions to-day, institutions which, by careful advice and pecuniary assistance at the right moment, are now emerging from their troubles into conditions that promise prosperity? These facts are—without boasting—worthy of publicity. Individuals are aware of these things, but the public does not realize it. "This is a hospital for the curing of the financial invalid," could well be painted in large characters over the entrance of many of your banks.

Of course the bank must have constant regard for those who have contributed to its capital, its stockholders. It goes without saying that organized capital must seek primarily to protect itself against impairment and receive a fair return for its investment; beyond these obvious requirements, however, it has an obligation resting upon it not always recognized, the healthy prosperity of the people. In fact, the two go together. If the community prospers, banking capital, prudently directed, will certainly receive a fair return. If the mere organization of capital confers great privileges, if the State grants it ample protection, it has the reciprocal duty to bear its share of the burdens of the State and community. Let it be known throughout this fair city of Detroit, or any other city, that its banks, through its officers and directors, are keenly alive to everything that bears upon the welfare of society, acting as a unit for its highest prosperity! What a power then it may be! What a power then it will be! In this view of associated responsibility, I am led to believe, from many expressions, that there is a growing unanimity of sentiment. It may be called mere sentiment, but possibly some of us have yet to learn that sentiment has much to do with our prosperity. The favorite bank in the community may be no stronger, or as strong as its neighbors, and yet let it be generally known that in some way it does have some of the "milk of human kindness," that it is a helper and not a wrecker, that it desires to give as well as get, and its continued prosperity is assured. This is not sentiment, but fact.

Under the advantage of our name and system the bank is able to aggregate the surplus moneys (wealth) of many persons. As a partial consideration, it is bound to administer the trust wisely by fostering every legitimate line of industry in which labor receives its fair wage. Without such assistance no community can thrive.

It is the duty of organized capital, as represented in this Association, to look with scant favor upon all speculative enterprises. The money received over your counter must be returned again. To avoid this pitfall requires both wisdom and nerve. The speculator, as such, should receive no favor at the hands of the banks; if there are not sufficient legitimate demands so that a bank's capital and deposits can be profitably used, the time for its liquidation has come, it has no right longer to do business.

The banker has the power, if so minded, to impress upon the community the feeling that his institution was organized not solely for the benefit of his stockholders, but to serve alike borrower and lender, and thereby the entire community.

Publicity. All institutions which hold the moneys of the people in trust should be subject to inspection. None but critical, able experts should be employed. The private bank has no right to exemption. The rule should be an inexorable one. When any party, or parties, become the depository of the people under the title of banker or bankers, a new and important relationship commences. We do not choose our depositors. We invite the whole community. Corresponding responsibilities should immediately follow. Every corporation and individual that asks special privilege from the people and the law should be liable to strict supervision by the law. As has been previously said, "There can be no confidence without respect." The representatives of our institutions must merit the respect of their fellow citizens. Plenty of sunlight is good for the banker and the bank.

At this time when the success of the corporation is often attained at the expense of the individual, when individual enterprise ceases to attain its former success, when the inventive genius has somehow placed material before mind—the machine ahead of the man—it is not strange that mankind in its struggle to readjust itself to new conditions should cry out. With this problem, serious as it is, the generation must deal, and the bankers of this country must help to work it out; along our line of work we have a plain duty to perform, as men and as bankers, trustees of the wealth of the nation, let us hold up a high standard of moral action, mingling with strict sense of our duty to stockholders of proper sense of our duties to that larger body by whom our calling in life is made successful—the people.

We have a duty to protect the public by due punishment of the criminal. The certain exposure of crime is an absolute necessity. It needs no argument to emphasize the plain duty of the banks in that respect. The man who takes the trifle left by accident in the till goes to hard labor in the penitentiary, while all too often the skillful capturer of millions is invited to divide "and no action will be taken." This is not good banking, nor is it safe action. Capital if it would be ultimately safe must, even at great expense, do its share in protecting society by quick punishment of the offender. No law is so inexpensive in the long run as the law that is enforced. It must be a source of real satisfaction to you that our protective work has been carried forward during the past year so judiciously and thoroughly.

The judicious banker will care for the lesser as well as for the greater interests of the community. No interest, however small, should fail to receive the attention it merits. A bank is best supported when it places its loans in many hands. The small dealer is entitled to just recognition. Our duty here is very plain.

Solidarity of capital implies solidarity of labor; thorough, consistent organization of both sides tends to stability of conditions. Undue and inconsistent pressure on the part of either side can but produce injurious results; the weaker side goes to the wall, but the stronger does not escape loss. Equal justice is the only rule that can be safely followed by either.

It is my settled conviction that we may attribute a large share of failures in business, both in the line of our general industries as well as in banking, to the lamentable fact that so many persons who enter upon a business career are unfitted by lack of a thorough education in the particular line entered upon. We have the ever-present fact staring us in the face, that men are entrusted with the handling of capital and credits utterly unqualified by training and experience. Cases are continually multiplying where men, good citizens enough in their proper place, but utterly lacking in proper training for the safe conduct of organized capital, are given high places. We, as bankers, are not exempt from this serious fault.

One of the duties laid upon this Association is to insist upon a practical educational test. While it is true that many of us have educated ourselves during our business career, and while a peculiar honor attaches to the self-educated man, yet the day of small things is fast passing away, indeed it has passed way. While the school of experience is ever teaching, yet primary education is absolutely essential.

Fifteen years ago, in a paper presented at your annual Convention held in Saratoga, I made use of these words:

"There are schools for every profession but our own; science, art, medicine and theology are provided at great expense with schools of high order. Men vie with each other in the establishment of centers of practical knowledge along many lines, while we have none. It should be possible in our universities for our young men to acquire the foundation principles, and to some extent technical training, in practical business affairs.

I believe in the unity of the professions. They all spring from one source, and are but branches of the same tree. Their fruit is the evidence of newer and higher civilization. In order that any, or all, of them should render the highest service to society (mankind) they should be elevated by culture and education."

Since that time I have had renewed reasons urged upon me by the sore experiences of the years just passed, to once more call your serious attention to this duty that is laid upon us.

The disciplinary training of the Old World for every line of work should be followed more closely; even the waiter at table in Austria must have three years preliminary training before getting a certificate that permits him to serve at a public table.

No duty is more plain than that to our employees. Consideration, fair pay, due promotion for merit and worth, watchfulness over character and morals; the rearing of men not machines; these things we owe to our employees, soon to be our associates. Not many months ago, while in New York, I inquired of a prominent banker regarding a young man who was in his employ and in whom I was particularly interested. "He is getting on well—we are a sort of kindergarten, we look carefully after our boys," was the answer.

The topic assigned me is larger than I have treated. I have considered hastily and imperfectly a very few of the duties that devolve upon us as bankers and as the administrators of organized capital. The subject is so great, so important, so imperative, that we will come far short of our duty if we fail in the future to consider our "duties" with something of that seriousness that we are wont to attach to our "privileges." In doing this we will certainly demonstrate to all fair-minded people the sincerity of our purpose to so handle the power in our hands that it shall conduce to the welfare of all. (Applause.)

Bankers and Prosperity.—No men in the country are more elated than are the bankers because of the signs which portend an era of good times. They prosper when the people prosper. In a protracted period of financial depression it would be an easy matter for them to compass the widespread ruin which the unthinking and the designing credit them with seeking. Instead of carrying out any such purpose, they have been the direct means of tiding the country over a crisis that for more than three years tried the souls of men in every department of enterprise. Just as far as safety would permit they helped the weak, prevented the failure of worthy institutions, and have gone to the utmost limit of a proper business conservatism in the extension of credits. They stood loyally between the people and a general wrecking of the undertakings upon which the prosperity of capital and labor are alike dependent.—*Detroit Free Press.*

A CLEARING-HOUSE TO DISPOSE OF EXCHANGE AND COLLECTION BUSINESS.

Since the organization of the first bank of which we have any accurate information, in the twelfth century, and the system of drawing checks against credits (which it is said originated with the Hebrews) was thereby brought into general use and permanently established, there has been but one radical change in the general methods of the banking business. It is true there have been many improvements in the machinery of the banking office until to-day the system is almost perfection; but these have been gradual and strung out through history so that they cannot be termed radical reforms.

Years ago, the date unknown, the bankers of the city of London assembled for the purpose of devising methods for facilitating exchanges among themselves, which transactions had become so numerous and of such magnitude as to require the transfer from one to the other of large sum sof money and to be fruitful of great labor. As the result of this assembly we have the clearing-house—the only radical reform, the only event in the history of the banking business which can be said to have marked an epoch. The necessity which brought this institution into existence was the great increase in commercial transactions, and the more general use of the system of giving checks in payment of obligations. But the clearing-house has served purposes which may not have been contemplated at the time of its organization. Its powers have from time to time been vastly extended, and during crises its acts have been more beneficial to the commercial world than the acts of our national Government.

While the establishment of this institution was a most important reform, it is becoming apparent to progressive bankers that its jurisdiction and functions might with profit be enlarged; or, better still, that an institution built on similar lines, but deprived of its local character, should be put in operation.

If the clearing-house has succeeded in facilitating exchanges between banks in the same city, why should not an institution of the same nature facilitate exchanges between the banks of one city and those of another?

This question will suggest affirmative answers which will at once appear sound to those who have had experience in this most important of commercial pursuits.

The Exchange and Collection Department in Banks.

The present system of making collections and handling exchange is acknowledged to be annoying, expensive, and altogether unsatisfactory. This department is badly demoralized, and can and should be concentrated and specialized. In many branches of commerce combination is resorted to for the purpose of restoring legitimate profits; why not in this?

There are two elements which have operated to reduce profits and in many cases to result in actual loss. One is the competition among banks holding out free collection and free exchange as an inducement for new business, or to retain what they already have; the other, the great amount of labor and consequent expense required to handle the business.

Summing up the salient objections to the present system, I would say first, the cost of labor and stationery in the exchange and collection department; second, the additional work given to other departments, especially that of general bookkeeping, which is closely connected with it; third, the inclination of banks to collect drafts for their correspondents free of charge, and to sell exchange to their city customers at cost price; fourth, the delay in the collection of country items occasioned by the attempt to collect them without charge; and fifth, the great annoyance of the department.

There is but one way to obviate these objections, which I think sufficient to warrant concerted action on the part of those concerned. It seems feasible to establish an organization composed of the banks of the leading cities, for the sole purpose of conducting the exchange and collection business.

I am satisfied such an institution would prove self-supporting and profitable also. There would be a profit on all exchange sold, an assessment on all drafts received from correspondents, and the work so centralized that the cost of labor would be greatly diminished.

Under such a system banks which now handle collections free of charge would reap a profit commensurate with the vexation and responsibility of it. The expense, which under the present system is in many cases greater than the gross earnings, would not be borne by the banks, but would fall where it should—upon the shoulders of parties making drafts for whose convenience the department is maintained.

Arrangements could be effected by the various branches of the organization with country banks adjacent to them, specifying a fixed collection charge. This charge would be made known to the members of the organization and deducted from the face of country checks when received on deposit. Besides being profitable the system I suggest would be a convenience to all business people. Merchants, instead of having numerous settlements to make each day, would have only one and thus be saved interruption and labor.

In the office of the organization banks would find an excellent market for exchange, for the manager being at all times aware of a large portion of the exchange to be had and of the banks owning it, would be in a position to sell and purchase to and from various members of the organization. It might be held by some that all banks are full or short of exchange at the same seasons of the year, and consequently this idea would not be realized, but while this is true to some extent, it is not always so. It frequently happens that banks procure exchange from altogether unexpected sources—sources which are not affected by the ruling features of the exchange market. Even if such were not the case the organization would still be an advantage in this respect, for the manager would be in a position to negotiate with brokers for large amounts of exchange, and being in control of a large share of the demand could secure better rates.

The details would be a simple matter. Each bank would hand in at the office of the organization as many times a day as might be found convenient all of its exchange, and be given credit for it. This exchange would be forwarded to the various branches of the organization for collection and deposit to the credit of each particular bank with their correspondent.

As to the sale of exchange each bank would provide its customers with blanks reading, "Exchange wanted by................for account of... ....Bank." Applicants for exchange would present these tickets to their banks, pay for them, have them certified and then filled at the office of the organization. The total of this certified memoranda would be paid for in like exchange at the close of each day by the banks. In this manner each bank would get its share of the profits, for at fixed periods of the year they would be apportioned out to each bank in proportion as the amount of exchange sold for its account would bear to the total amount of exchange sold. It will be seen that the effect of this measure will be a complete transfer of the exchange and collection business from many offices to a few, and the adoption of a common method as regards records, thus assuring great economy in labor; and that all collections made and exchange sold, will bring a uniform and profitable rate.

I do not think it can be urged that the system I propose would be prejudicial to any particular bank with its patrons, because I believe all of the leading banks would adopt it as a matter of self-protection and relief from the annoyance of the exchange and collection business. which should never have been taken up, as experience proves, by banks of deposit and discount.

The necessity of taking some action in this matter is recognized by parties whose high positions entitle them to speak with authority. Comptroller Eckels, in an article recently published, applauds the consolidation of banks which has taken place recently in several cities, and names as the causes the payment of interest on deposits and giving free exchange.

One branch of the subject, the collection of country checks, was ably discussed by Mr. Bradford Rhodes before the American Bankers' Association at its last meeting.

I fully realize the difficulty of introducing any radical innovation, but the necessity of making a change is apparent, and I hope when it is decided upon these suggestions will be thought worthy of consideration. R. E. CONNER, JR.

NEW ORLEANS, La., September 24.

BANK OF ENGLAND AND SILVER.—In its issue of September 18 "The Economist," London, comments as follows on the action of the Directors of the Bank of England in consenting, under certain conditions, to hold one-fifth of its reserves in silver:

"A similar offer, it will be remembered, was made at the International Monetary Conference in 1881, and was then rejected by the Powers as inadequate, and it is perhaps because the Bank of England believes that it has as little chance of acceptance now that it has been renewed. For we cannot imagine the bank seriously binding itself to hold at all times one-fifth of its stock of bullion in silver. * * *

Still, it is greatly to be regretted that they have lent themselves in any way to such a proposal. Even if nothing comes of it, the result must be to foster false hopes on the part the bimetallists and to encourage the continuance of an agitation which is certain to be futile in the end, and in the meanwhile is bound to do harm. It is not, for example, in the true interests of the United States that the work of currency reform to which the Administration is pledged should be put off, under the delusion that this country is going to palter with its monetary system for their benefit."

THE INDIANAPOLIS MONETARY COMMISSION.—A partial list of the Commission selected by the Executive Committee of the Indianapolis Monetary Conference was published in the September MAGAZINE. Since that time the vacancies on the Commission have been filled, the complete list of names being as follows:

George F. Edmunds, Vermont; Charles S. Fairchild, New York; Stuyvesant Fish, New York; Charles Stewart Patterson, Pennsylvania; T. G. Bush, Alabama; J. W. Fries, North Carolina; W. B. Dean, Minnesota; George F. Leighton, Missouri; Robert S. Taylor, Indiana; Prof. J. Laurence Laughlin, Illinois; Louis A. Garnett, California.

SCHOOL SAVINGS BANKS.—Mr. J. H. Thiry, of Long Island City, N. Y., who has done much good work in promoting the establishment of School Savings banks in the United States, sends to the MAGAZINE a table of statistics in regard to these institutions, from which the following information is compiled:

Number of school houses having banks	280
Number of School Savings banks	1,572
Number of pupils on register	82,790
Number of depositors	28,335
Amount collected	$451,211
Amount withdrawn	292,954
Due depositors	158,197

WHAT LEGISLATION IS NEEDED WITH RESPECT TO THE CURRENCY.

[Address of N. B. Van Slyke, President of the First National Bank, Madison, Wis., Delivered at the Twenty-third Annual Convention of the American Bankers' Association.]

Mr. President and Gentlemen—Twenty-two years ago at a convention of bankers held at Saratoga, particularly called to state and discuss their grievance of excessive taxation, it then and there occurred to me that there should be a permanent organization of recognized authority to represent the banking interests in general, and I offered a resolution to that effect.

Thus conceived, a committee was appointed to formulate a plan, and the following year at the Centennial Exposition in Philadelphia, the child was born and so named—just a century the junior of this our Republic. This twenty-one years of existence we have watched, worked for its advance and usefulness, until now, having attained its majority, to man's estate, it should assert itself still more vigorously to reform the unwise customs and unjust laws which prevail and concern us all.

Upon the open question of "what legislation is needed with respect to the currency ?" a matter concerning which many intelligent, experienced and honest minds so widely differ, and comparatively few quite fully understand, I first quote the Hon. E. S. Lacey, who has said in evidence of a needed reform, that "no two varieties of coin and paper circulating as money are subject to the same requirements as to redemption, nor clothed with the same legal tender and debt-paying qualities."

This being the condition, the general public should comprehend the points of difference, and better realize the need of a change.

1. The gold coins of the United States are a full legal tender to any amount, when of standard weight. If below standard weight, they are legal tender at a valuation proportioned to actual weight.

2. Standard silver dollars are legal tender to any amount except where otherwise expressly stipulated in the contract.

3. The subsidiary silver coins are legal tender to the amount of ten dollars, and redeemable in "lawful money," by the Treasurer, when presented in sums of twenty dollars or multiples thereof.

4. Minor coins are legal tender to the amount of twenty-five cents, and also redeemable in "lawful money," if presented in sums of not less than twenty dollars.

5. United States notes are legal tender, except for duties on imports and payment of interest on the public debt, and are redeemable in gold or silver coin, if presented in sums of not less than fifty dollars.

6. Treasury notes issued in payment for silver bullion purchased, are a full legal tender, except where otherwise stipulated in the contract, and redeemable in silver or gold coin, at the discretion of the Secretary of the Treasury.

7. Gold and silver certificates are not "lawful money," but are receivable for custom duties; they represent the kind of coin deposited and reserved in the Treasury for redemption, are not a legal tender in themselves, but represent the coin that is.

8. Currency certificates are issued upon the deposit of United States notes, in sums of ten thousand dollars and are not a legal tender. Gold, silver and currency certificates are mere receipts for the kind of money deposited, which need be presented and paid, in what is legal tender.

9. National bank notes are redeemable in "lawful money," but are not a legal tender, though receivable for all public dues except duties on imports; and, also for all salaries and other debts and demands owing by the United States to individuals, corporations and associations within the United States, except interest on the public debt, and in redemption of national currency; they are also receivable at par for any debt or liability due to any national banking association. All of the various forms of money above described, excepting National bank notes, are available as part of the lawful money reserve held by national banking associations.

It is all "the poor man's money" and "the rich man's money" alike, in whosoever's pocket or possession it may be.

The currency troubles of ante-bellum date were caused by the legalized State issues of paper money, over which Federal laws had no control; since then we have drifted from one expedient to another, until we now find ourselves struggling against Congressional Acts alone, with its nine kinds of legal money, complex and embarrasing for all concerned, hence to Congress we must look for a simplification and reformation of the present system.

Reforms, to be permanent, should be gradual, rather than radical, and in this direction it would seem that the first important step should be

A REFORM BY EVOLUTION.

The retirement of troublesome "greenback" and the Treasury notes—a floating debt—and the practical business method of funding this debt into three per cent. Government bonds, of denomination from fifty to thousands of dollars each, this being a much more economical manner of carrying the indebtedness than the present "endless chain;" experience having clearly demonstrated that the caring for—the redemption and re-issue of our government paper currency (while endeavoring to maintain the parity of silver and gold) is far more expensive borrowing (for borrowing it really is), at the indirect cost of interest now being paid, than three per cent. interest upon a funded debt.

Such three per cent. bonds, if payable in fifty years, and irredeemable before, would take up the present bonds issued, as they mature, and if by permitting banks to issue their circulating notes upon the par of such three per cent. bonds, in the same proportion ONLY, as the Government circulating notes might be returned, redeemed, and then forever retired, it would keep the volume of all the currency undisturbed, by the gradual decrease of one class, and corresponding increase of the other, until finally doing away with the Government's "banking business," and placing it with the banks where it legitimately belongs.

If, possibly, the National banks should not take the bonds and provide circulation sufficient to meet the Government notes when presented for redemption, there can be no reasonable objection to allowing the State banks the same privilege as the National banks in regard to the issue of circulating notes, such notes to be exempt from the present prohibitory tax.

Providing, that in respect to such circulating notes, State banks should be subject to the same laws, rules, regulations, restrictions and Federal control, through the Comptroller of the Currency or otherwise, as are National banks, though independent of other Federal supervision, to which many banks object.

Every person in the community is concerned in the uniform, undoubted value and security of all circulating notes alike, from whatsoever source issued, while the other features of banking are of comparatively local interest.

Permitting bank circulation upon this basis would enhance the market value of the bonds, and at the same time afford the investment of small sums by those of limited means, and enable others to make more permanent investments in long-time securities, even at the low rate of interest named—a need, peculiar to this country—

that of Government Savings bank. Bonds of a lower rate of interest than here suggested, might fall below par, and certainly would not warrant banks in taking them as a basis for issuing notes, while if at a higher rate, the objectional "premium," fluctuating from day to day, would, as now, prevail.

The currency of a country should be uniformly secured, controlled and redeemable alike in all respects, one dollar as good as another dollar, irrespective of the class of banks issuing it, and though not "legal tender," could be readily converted into what only should be—GOLD. (Applause.) Then the banks instead of the public Treasury would bear the burden of redemption, and no large reserve of gold would by the Treasury be required.

A tax on this circulation, sufficient to cover all costs for its governmental control and redemption, would not be onerous.

Unlike some radical systems proposed, this manner of change would be gradual, practical and certain; no shock would occur, and like the retirement of the war-time fractional currency, or the "Trade Dollar" and other coins, the "greenbacks" and the Treasury notes would disappear, be replaced by bank-notes, and the people, the business public, scarcely know when the desired end was accomplished.

By limiting the denomination of bank-notes to not less than ten dollars, would (though with no little inconvenience) compel the circulation of more silver dollars, and from the present prospect of a large proportionate increase in the production of gold, the relative values of the two metals might possibly be less unequal, and the cost to Government of maintaining their parity of value, be more easily borne—an expensive undertaking at best.

With this first move in the direction of reform being made, we might experiment for a time longer with the silver issue, when after further unsuccessful trial, the bimetallist and the "sixteen-to-one" silver theorists have exhausted their efforts—as eventually they will—and as in times past it proves a failure, as it invariably has, *then*, if not before, adopt the honorable business method of speculating in commodities, by selling the excess for what it will bring in the world's market, pocket the loss, "charge it off" and done with it, rather than treat it as an asset, unproductive, useless and unprofitable to hold.

In these times of peace and prospective prosperity, this Government of ours should not feel compelled from month to month to resort to deceptive expedients, or avail itself of trust funds in order to publish a fair financial showing to maintain its credit.

With its floating debt due on demand, and the fiat coin not worth one-half it purports to be, the financial situation is a tender subject to openly explain.

A bankrupt feels relieved after compromise and settlement; so a government is better when fairly established upon a sound financial basis.

This mere outline, with the many suggestions of others, may be of some service in considering the question of "What legislation is needed with respect to the currency?" (Applause.)

Financial Conditions in Mexico.—Under a recent date Consul General Donnelly, of Nuevo Laredo, writes as follows:

"I have the honor to report a marked rise in the prices of all commodities in Mexico, as a result of the recent fall in the price of silver. This was to be expected of imported goods, but domestic products and even rents have risen. There has been no corresponding advance, however, in wages or salaries. Labor stays on its silver basis."

On September 1, 1897, Consul General Barlow sends from Mexico City the following:

"From what I learn, wages here are generally the same, although paid in silver, which is declining. The larger business houses and a number of the smaller dealers are endeavoring to protect themselves by advancing prices. This refers to the necessaries of life raised in this country as well as goods imported."

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

IOWA.

OFFICE OF THE AUDITOR OF STATE,
DES MOINES, August 5, 1897.

To the General Assembly of Iowa:

GENTLEMEN:—In compliance with the requirements of Section 24, Chapter 60, laws of 1874, I have the honor herewith to present statements of the condition of the Savings banks, and of the State banks, so called, which were under the supervision of this office June 30, 1897.

The present report contains a statement from 166 Savings banks and 206 State banks. It will thus be seen that there has been a decrease of three in the number of Savings banks and an increase of five in the number of State banks, or a net increase of two in the total number of banks under State supervision during the past year.

The following tables present a synopsis of the assets and liabilities of the Savings and State banks at the close of business June 30, 1897, also increase and decrease compared with June 30, 1896:

ASSETS.	*State banks.*	*Savings banks.*	*Total.*	*Increase or decrease, '96-'97.*	
Bills receivable	$19,988,145	$28,903,442	$48,891,587	$2,094,222	Dec.
Cash and cash items	1,727,769	1,663,150	3,390,920	264,794	Inc.
Credit subject to sight draft	4,171,050	5,309,077	9,480,128	2,781,204	Inc.
Overdrafts	347,510	182,075	529,586	30,738	Dec.
Real and personal property	1,96[illegible],270	1,533,948	3,507,219	249,923	Inc.
Total	$28,202,746	$37,596,694	$65,799,440	$1,170,959	Inc.
LIABILITIES.					
Capital stock	$9,135,700	$7,151,500	$16,287,200	$124,200	Dec.
Due depositors	16,857,239	28,585,654	45,442,894	1,476,100	Inc.
Due banks and others	231,711	99,020	330,732	160,519	Dec.
Surplus	1,013,206	784,160	1,797,367	44,940	Dec.
Undivided profits	964,888	976,358	1,941,247	24,519	Inc.
Total	$28,202,746	$37,596,694	$65,799,440	$1,170,959	Inc.

Since the publication of my last report, one year ago, the following banks have been placed in the hands of Receivers.

The Iowa Savings Bank, of Sioux City, Iowa, failed November 9, 1896, and W. P. Manley, of Sioux City, was appointed Receiver, November 10, 1896. He resigned March 2, 1897, and A. D. Wighton was duly appointed and qualified in his stead, March 16, 1897.

The Sioux City Savings Bank, of Sioux City, failed November 19, 1896, and F. B. Goss, of Sioux City, was duly appointed Receiver of the same.

The Harlan State Bank, of Harlan, Iowa, was reported, by the bank examiner, to be in an insolvent condition, and, upon application to the district court, L. C. Lewis, of Harlan, was appointed Receiver on December 10, 1896.

The German Savings Bank, of Des Moines, Iowa, made application for a Receiver January 23, 1897, and H. T. Blackburn was appointed such Receiver on the same day.

The Commercial Savings Bank, of Leeds, was closed on February 12, 1897, and Willard L. Frost, of Sioux City, Iowa, was appointed Receiver.

The Citizens' Savings Bank, of Ireton, Iowa, made an assignment on February 25, 1897, and W. S. Short, of Orange City, was duly appointed assignee of the same.

Of the above-named banks, the German Savings Bank, of Des Moines, succeeded in effecting a re-organization, with a paid-up capital of $100,000, and was duly authorized to resume business June 5, 1897. Due credit for the success of this re-organization should be given to the old stockholders of the bank, as well as to many of the depositors.

The assets of the Commercial Savings Bank, of Leeds, Iowa, have been sold for a sufficient sum to pay all its depositors in full, as well as the court expenses attending the receivership.

The Receivers of the other banks are acting under the direction of the district courts of their respective counties and, as they are not required by law to make reports of the progress of their receivership to this office, I have no definite information as to the progress of their work.

The present report indicates beyond question, not only the return of full confidence in our banking and financial institutions but also an ease in the money market such as this State has not experienced for several years. The increase in available cash held by the banks over that of one year ago amounts to $3,045,998.40, and the increase in deposits amounts to $1,476,100.37. The following table shows the percentage of the deposits held by the banks as available cash for a series of years:

1892	25 per cent.	1895	21 per cent.
1893	19 per cent.	1896	22 per cent.
1894	29 per cent.	1897	28 per cent.

It will be seen from the above that the banks at the present time hold a larger percentage of available cash, as compared with their deposits, than they have held at any previous time during the past six years, with the exception of the year 1894, when the panic compelled them to fortify themselves with cash in order to prevent suspension on account of sudden withdrawals of deposits.

The reduction of the overdrafts and indebtedness to banks and others is another indication of the improved condition of the banks as compared with one year ago.

The Twenty-sixth General Assembly revised the banking laws of the State, which revision takes effect October 1 of this year. Following are some of the more important changes:

Providing that directors in State and Savings banks must be the owners of a certain number of shares of stock.

Making more explicit provision when and how dividends in a Savings bank may be declared.

Fixing a minimum cash reserve for State and Savings banks.

Providing that State banks may not be organized with less than five persons of lawful age.

Requiring directors of State banks to take an oath of office.

Providing for an examining committee of Savings banks and fixing the compensation of the members of such committee in both State and Savings banks.

Giving the Auditor of State power to call for special reports from State and Savings banks.

Giving the Auditor of State power to direct the bank examiner to take possession of a State or Savings bank which is violating law, and suspending the right of attachment or levy against such bank during the time it is in the hands of such examiner.

Giving the Auditor of State, with the assent of the Attorney-General, authority to apply for the appointment of a Receiver.

Giving the Auditor of State power to require an assessment upon the stockholders of banks whose capital is impaired.

Providing for the punishment of any owner, director, officer, agent, clerk or employee of a bank who knowingly makes false statements relative to the bank or its affairs.

Making loan and trust companies which receive time deposits and issue drafts subject to regulation and control by the Auditor of State.

The above are the more important changes or additions in the law. I believe that all of them are for the better protection of the depositors as well as for the security of the banks themselves.

In addition to the above, I would most respectfully recommend that legislation be enacted limiting the amount of real estate that a State or Savings bank may hold, and providing for an early disposal of such real estate as a bank may be compelled to acquire in order to protect itself from loss by reason of bad debts. I urge this recommendation for the reason that the real estate account of our State and Savings banks is yearly increasing and experience has demonstrated that this class of assets is always slow to realize from whenever a bank is compelled to do so.

Owing to the depression of business in general, and the consequent dangers that have threatened all financial institutions during the past four years, I have been compelled to give much care and personal attention to the bank supervision. It has been my special endeavor to give more system and efficiency to the examinations. In this effort I have been promptly and loyally seconded by the gentlemen who represent this office in the capacity of bank examiners. Advice, suggestions and even criticism have been freely given to banks and bank officials and these have invariably been received in the same spirit in which they were offered. There is at the present time the utmost confidence on the part of our people in the ability, integrity and conservatism of the men who conduct the business of the State and Savings banks of Iowa, and I have every reason to believe that this confidence is not misplaced.

C. G. McCarthy, *Auditor of State.*

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

OHIO BANKERS' ASSOCIATION.

The bankers of Ohio met in annual convention at Toledo, Sept. 15 and 16. A summary of the proceedings follows.

President Robert McCurdy called the convention to order at 10.30, in the National Union Auditorium.

I. E. Knisely, President of the Northern National Bank, welcomed the convention to Toledo in an appropriate speech, which was responded to on behalf of the association by Col. Myron T. Herrick, President of the Society for Savings, Cleveland.

Mr. Herrick was followed by President McCurdy, whose annual address was replete with many telling points in regard to banking.

Following him came Hon. J. T. Brooks, of Pittsburg. He spoke on "The Legitimate Relation of the Commercial Bank to the Broker, Whether he Deals in the Stock Exchange, on the Board of Trade or in Negotiable Paper."

C. V. Hard, Cashier of the Wooster National Bank, followed with an address on the "Advisability of a State Clearing-House."

At the afternoon session P. W. Huntington, President of the Hayden National Bank, of Columbus, made an interesting address, and Bradford Rhodes, Editor of the BANKERS' MAGAZINE, New York, read a paper entitled "Our Relations as Bankers and Citizens to Financial Reform."

A resolution was passed ordering that this paper be printed in full in the official proceedings.

If space permits, Mr. Rhodes' address will be published in the November number.

At the second day's session, after prayer by Rev. S. G. Anderson, President McCurdy introduced M. M. White, President of the Fourth National Bank, Cincinnati.

He spoke on "What Can Be Done to Increase the Usefulness of the Ohio Bankers' Association," and enumerated some of the advantages incident to the organization. Prominent among these were the social features, which however should not be permitted to overshadow the business of the conventions.

"The time has come," said Mr. White, "when we must enlarge and extend our credits; every one of our railroad systems was built upon credit; our immense manufacturing concerns were erected to a great degree on the basis of credit. We have been shaking our heads ominously for the past few years when approached for loans for some legitimate enterprise, and intimating that some impending financial calamity was about to overtake us: we must get out of that rut. At the same time exercise due care and discretion, but help those who are willing and able to help themselves. Live not for yourselves alone, but for those around you as well.

Then the future currency system of the country is worthy of passing notice. Lord Macaulay, in his history, has wisely said that so long as our country is sparsely settled there is no danger of our currency becoming unworthy of confidence and lacking in the essential requisites. But the time will come when these conditions will change, and one must be prepared to meet them."

Gen. John Beatty, President of the Citizens' Savings Bank, Columbus, spoke on the "Cause of Low Prices." After referring at length to the great changes which have taken place in recent years in regard to methods of production and manufacturing, he concluded as follows:

"Indulge me while I refer to a few instances illustrative of the effect of the machine upon the laborer. The matter I shall give you is condensed in part from the report of the United States Commissioner of Labor, for 1886, and in part from Wells' 'Recent Economic Changes.'

The introduction of the machine into the coal mines has displaced forty per cent. of the miners, and while lessening the price of coal, has deprived many persons of the means to buy it.

The displacement of muscular labor in some of the cotton mills of the United States within the last fifteen years by improved machinery, has been from thirty-three to fifty per cent. 'The spindles which revolved 4,000 times in 1874 made 10,000 revolutions in the same time in 1885.'

Four men can now make as much steel with 5,000 pounds of coal as ten made in 1868, with 10,000 pounds of coal.

A modern tin plate mill will make double the product of old-fashioned mills without an increase in expenditure for motive power or labor.

A car-load of coal by the use of machinery could in 1889 be mined, hoisted, screened, cleaned and loaded in one-half the time it required ten years previously.

In printing, seven men, in connection with machines, will do the work of thirty-five type-setters, while improved presses, run by steam, gas, or electricity, have displaced thousands of pressmen and folders.

In the manufacture of agricultural machinery, 600 men now do the work that fifteen or twenty years ago would have required 2,145 men—a displacement of 1,545 men. This suggests to you why better reapers and binders than sold in 1880 for $300 can now be bought for from $100 to $125. It suggests also why as good farm wagons as sold in 1873 for $150 can now be bought for $55. The machine is a cheap worker, and if it does the work, men will not be called upon to do it, and the wages it saves in production will not be paid to the working man.

Seventy per cent. more manual labor was required in 1870 on the British steam merchant marine than in 1885 to do the same work.

One hundred men now make as many boots and shoes as 500 men could have made by hand process—a displacement of eighty per cent.

The introduction of new machinery within the past thirty years in the manufacture of children's shoes, has displaced six times the amount of hand labor required, and reduced the cost of production one-half. Are you surprised to know that shoes are cheaper, than they were?

In another grade of shoes one man can now do the work which twenty years ago required ten. The one man is amply provided for, but what of the nine who lost their job by the coming of the machine?

In the manufacture of flour, there has been a displacement of seventy-five per cent. of the manual labor necessary to produce the same product. In other words, twenty-five men with machines now do the work formerly done by 100, and some at least of the seventy-five lack the opportunity to get bread. Is the monetary system responsible for the altered condition of the laborer?

In the manufacture of furniture, the machine has displaced from one-half to three-fourths of the old number of persons employed.

In metals and metallic goods, machinery has decreased manual labor 33⅓ per cent.

In 1845, the boot and shoe makers of Massachusetts averaged 1.52 pairs of boots for each working day. In 1885, they averaged over four. In 1889 they averaged seven pairs. In this line there has been an increase in the power of production of 400 per cent.

The Seimens tank furnace has since 1885 taken the place of the old-fashioned coal furnace for melting glass, one of the former supplanting eight of the latter, requiring four men in place of twenty-eight to feed it, and producing 1,000,000 square feet of glass per month in place of a former product of 115,000 feet.

One skilled workman could, a few years ago, make up but three dozen pairs of sleeve buttons in a day; now one boy with the help of modern machinery, can make up 9,000 pairs in a day.

A few years ago paper bags were all made by hand labor; but now machinery has crowded out the hand workers, and the substitution of bags for barrels in the transportation of flour is not only crowding out the coopers, but lessening the price of flour to the consumer.

In the manufacture of wall paper, one man now does the work formerly done by 100, and as a consequence some of the ninety and nine have been hard hit.

Even pills are made by machinery, and by going to a drug store instead of a physician, a man can get his stomach upset at one-fourth the old charge. People who like this sort of diversion, therefore, have now advantages they never possessed before.

In short, it is estimated that in the world's work of production, the time and labor saved by new machines and new methods is, in certain lines, as high as eighty per cent.; in not a few more than fifty, and in all thirty-three per cent. In this connection, it should be borne in mind also that within the past twenty years women, by their cheaper labor, have, in offices, stores, shops and factories, displaced tens of thousands of men. * * *

It may be asked what is to be the ultimate effect of the economic changes we have been considering upon the people of our own country who depend for subsistence upon the labor of their hands? I entertain a very hopeful theory with respect to the matter—a theory which looks to a liberal application of the policy of reciprocity in our trade relations with other countries; to an enlargement of our merchant marine; to a reaching out in business to all the non-machine using people of the world, and finally, as the result of all this, to a greatly increased demand for our labor and its products."

After Gen. Beatty's address there were brief statements from the several congressional districts.

The first and second districts were represented by George H. Bohrer, President of the German National Bank, of Cincinnati. Mr. Bohrer reported business quiet, but safe and conservative, with increased deposits of over $4,000,000, and a decrease of over $1,700,000 in discounts. Manufacturers, he said, were putting on additional workmen, and wholesalers reported a full quota of orders.

C. H. Allen, President of the Paulding Deposit Bank, unable to attend, sent in a brief report of conditions in Northwestern Ohio. Increased deposits were the general rule, with a more hopeful tone of business.

P. V. Bone, Cashier of the Lebanon National Bank, of Lebanon, gave a flattering report from the sixth district. He said that farmers had more money and deposits were increasing.

George H. Russel, a prominent banker of Detroit, vice-president of the American Bankers' Association, was then called upon, and spoke briefly on banking conditions in Michigan and especially in Detroit, which he said were improving.

On motion the Chair appointed a committee to devise means for establishing a State clearing-house.

Thos. F. McGrew, President of the Mad River National Bank, Springfield, spoke of the large amount of business transactions effected by credit. He said, in part:

"In the report of the Comptroller of the Currency for 1896, he says that 'By a conservative estimate the banks of all kinds are the holders of total deposits aggregating over $5,000,000,000.'

Now, if you will deduct from this amount the stock of money in the United States held in reserve or in circulation, which I have stated is $2,194,245,181, you will discover that the banks hold on deposit the sum of $2,805,754,819 more than the whole stock of money in the United States.

This money is what I represent as credit money.

For the proof that these deposits are used as money, I advance one step further and state that the loans of all the banks amount to $5,852,664,009, and if you will deduct from this sum our stock of money, you will find that the banks have loaned $3,658,418,828 more than our stock of money. I include in these loans United States and other bonds.

The Comptroller, in his report of 1896, estimated: 'The aggregate banking funds, which include capital, surplus, undivided profits, and individual deposits of National and all other banks, are shown to be $6,695,486,521, an average of $93.69 per capita.'

If you accept my theory, here presented, that credit is money, you will not agree that our money is but $34.38 on our whole stock, or but $22.93 on that in circulation, but without being exact, you will consent that our money circulation is over $100 per capita."

The concluding session of the convention was held on board a steamer on the Lake. Among the subjects discussed was the establishment of a State clearing-house for the collection of checks, but the general opinion seemed to be adverse to the practicability of the idea.

Mr. McGrew, of Springfield, presented the following resolutions, which were adopted:

Resolved, by the Bankers' Association of Ohio, That they approve of the law of Congress, which declares it to be the duty of the general Government to maintain on a parity with gold all the money issued by the authority of any law of Congress.

Resolved, That we most respectfully declare it to be our opinion that it would benefit the business of the country, as well as the National banks, if the Government would issue to the said National banks circulating notes to the par value of the bonds deposited to secure their circulating notes.

Resolved, That we declare that Congress ought to pass a law reducing the tax on National bank circulation to a rate per cent. not more than will pay the expenses of issuing the same.

Resolved, That the Ohio Bankers' Association is unequivocally in favor of sound money and believes in the maintenance of a dollar as a standard of value that shall be acceptable as such in the commerce of the world; also believes in a wise and judicious reform of the currency system of our country; and it indorses the action of the monetary conference recently held at Saratoga, N. Y., in the appointment of a committee to consider the question of the reform of the currency laws of the United States."

On motion of Mr. Gormly, of Bucyrus, a vote of thanks was tendered Col. S. C. Reynolds, for the trip given the delegates on the yacht "Sigma."

Similar expressions of appreciation were voted to the bankers and citizens of Toledo, and the work of the retiring president was commended and a handsome gavel was presented to him.

The committee on nominations made the following report:

President—G. P. Griffith, Cashier Citizens' National Bank, Cincinnati.

Vice-President—W. A. Graham, Cashier Citizens' Bank, Sidney.

Treasurer—H. C. Herbig, Cashier Commercial Banking Co., Coshocton.

Secretary—S. B. Rankin, Cashier Bank of South Charleston.

Members of the Executive Committee (for three years)—J. J. Sullivan, Cashier Central National Bank, Cleveland; J. W. Denver, Cashier Clinton County National Bank, Wilmington, and Alex Renick, President First Na ional Bank, Chillicothe.

Mr. Speucer, of Cleveland, moved that Mr. Sullivan be named chairman of the exe utive committee.

Mr. Knisely moved as an amendment that the selection of a chairman be left to the executive committee.

Mr. White and others advocated the amendment, which, after considerable discussion, was carried.

Mr. Gormly then introduced a motion that hereafter the election of officers and members of the executive committee be made direct by the convention, instead of referring the matter to a nominating committee.

After some discussion, this carried, and on motion of T. C. Stevens, the convention adjourned *sine die*.

In the evening a splendid banquet was tendered the convention.

Next year's meeting will be held at Akron.

PENNSYLVANIA BANKERS' ASSOCIATION.

The third annual convention of the Pennsylvania Bankers' Association was held at the Park Hotel, Williamsport, October 6 and 7. Addresses were delivered by J. T. Brooks, Vice-President of the Pennsylvania Company; William R. Thompson, of Pittsburg, and E. H. Pullen, Vice-President of the National Bank of the Republic, New York. An interesting discussion on "Practical Banking Topics" was a prominent feature of the programme.

BANKERS' ASSOCIATION OF ILLINOIS.

This association will hold its seventh annual convention at Peoria, October 13 and 14. An interesting programme has been prepared. Senator W. E. Mason will speak on the subject, "Postal Savings Banks."

KENTUCKY BANKERS' ASSOCIATION.

The sixth annual convention of this association was held at Frankfort, October 6 and 7.

The above associations are among the most progressive bankers' organizations in the country, and the proceedings of their conventions will be of general interest. A full report will be printed in the November number of the MAGAZINE.

New Counterfeit $5 Legal Tender Note.—Series of 1880, Act of March 3, 1833; check letter C; no plate number; J. Fount Tillman, Register; D. N. Morgan, Treasurer; portrait of ex-President Jackson; small scalloped carmine seal; Treasury number A27260865; photo-lithographic production; inking good; vignettes not clearly defined; serial numbers heavier than genuine.

It is printed on two pieces of paper (one light weight, other thicker and heavier weight) with strands of silk thread placed between. The note is a *dangerous counterfeit* and made up similar to those described in Treasury Circular letters 96 and 97, except face of note is on the thickest and heaviest piece of paper.

Counterfeit $2 Silver Certificate.—This counterfeit (Series of 1891) is identical with the $2 Silver Certificate check letter B, plate number 14, W. S. Rosecrans, Register of the Treasury, E. H. Nebeker, Treasurer of the United States, which made its appearance in November, 1894, except as follows: Check letter C, plate number 19, and the signatures of J. Fount Tillman as Register of the Treasury, and D. N. Morgan as Treasurer of the United States, appear on these notes.

Credit is due Mr. George W. Walbridge, receiving teller of the Ketcham National Bank, of Toledo, Ohio, for the first information regarding the appearance of this counterfeit.

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—George S. Lanson and J. S. Morgan have formed a new brokerage firm at 27 William Street, under the style of Lanson & Morgan.

—Charles M. Oelrichs has retired from the firm of E. C. Potter & Co., and will establish a firm of his own.

—Wm. H. Law has been appointed Acting Cashier of the Colonial Bank, to fill the vacancy created by the resignation of Isaac W. White, who was acting in that capacity.

—Warren T. James of the New York Stock Exchange and Henry A. Seymour have been admitted as partners in the firm of Douglas & Jones.

—Several of the city banks have resumed the former custom of paying their clearing-house balances in gold.

—It has been decided by the clearing-house committee that, beginning on Monday, November 1, weekly statements showing the average daily condition of banks not members of the clearing-house, but which clear through members, shall be published every Monday, the same as are the statements now of the associated banks every Saturday.

—L. L. Lathrop has recently become associated with the firm of J. S. Bache & Co.

—Charles D. Haines, for the last fifteen years identified with the National City Bank, has severed his official relations with that institution on account of failing health. Mr. Haines held the place of loan clerk, and was the custodian of securities averaging over $40,000,000. His resignation has been accepted by the bank with regret.

—The third annual meeting of the New York Credit Men's Association was held Sept. 16, in the rooms of the organization in the Central National Bank Building. Officers for the ensuing year were chosen as follows:

President, R. P. Messiter; Vice-President, O. G. Fessenden, Treasurer, Wm. Naumburg. Executive Committee—Chas. Biggs, Hugo Kanzler, T. H. Bartindale, E. E. Huber and C. D. Potter, for two years; Alf. P. Sloan, for one year.

After the presentation of the regular reports, informal remarks were made by G. Waldo Smith, F. R. Boocock, secretary of the National Credit Men's Association, and others. Mr. Boocock urged the need of uniformity in legislation and also the importance of uniform statements, as a means of protection from dishonest debtors.

The association is doing effective work in placing mercantile credits on a firm basis, and has labored earnestly in behalf of needed amendments to the commercial laws of the country.

—Postmaster Van Cott has prepared a comparative statement of the number of domestic money orders paid at the General Post Office in this city in the last five years. It shows a continuous increase, which has been most remarkable during the first eight months of 1897.

In 1893 there were 1,228,386 money orders issued; in 1894 there were 1,262,856, an increase of 34,470; in 1895, 1,956,228, an increase of 693,372; in 1896, 2,096,445, an increase of 140,217, and during 1897, to Sept. 1, there were 2,244,105 money orders issued, 147,630 more than during the entire previous year. The total increase for the five years is 1,015,719, or eighty-two per cent.

—Gold imports were begun on the 22d ult., by a shipment of $1,000,000 from the Bank of England consigned to the National City Bank. A shipment of $500,000 to the same institution was also made from Genoa.

—Henry W. Cannon, President of the Chase National Bank, recently returned from a trip through the Northwest to Puget Sound. He accompanied President James J. Hill on a special train over the Great Northern lines. Mr. Cannon is one of the directors of the road. Mr. Cannon says that he found evidences of prosperity so marked as to surprise him. The merchants of St. Paul, Minneapolis, Duluth, Spokane, Seattle and Portland are doing the best business they have done in three years, and their inclination to buy is in marked contrast with their feelings a year ago. when he met the same men on a similar trip.

—A meeting of the Board of Administration of the National Association of Credit Men was held on September 20, at the Hotel Manhattan. The entire board was represented either personally or by proxy, and matters of special importance occupied their attention.

The work of the various standing committees: Membership, Legislative, Business Literature, Credit Department Methods, Investigation, and Improvement of Mercantile Agency Service, was very carefully discussed, and the plan of activity submitted heartily endorsed.

The secretary's report shows the organization to be in a flourishing condition, with an organized membership of 1,746, or a gain since June, in spite of the withdrawal of the St. Joseph Association, of 333, and an individual membership of 243, or a gain since June of 65, making a present enrollment of 1,989.

One of the most important questions discussed was that of the best method of handling fraudulent failures, and after listening to a comprehensive plan, the following resolution was unanimously adopted:

Whereas, Fraudulent failures constitute a serious menace to the mercantile community; and

Whereas, Such failures are as dishonest and reprehensible as any form of robbery, and the safety of the business public demands that all persons involved therein be brought to justice; therefore be it

Resolved, By the Board of Administration of the National Association of Credit Men, that the plan of dealing with suspicious failures presented, be, and the same is hereby approved, and the board recommends that the proposition contained therein to select legal correspondents throughout the United States to act in conjunction with some well-known detective agency in investigating such failures, be especially emphasized in carrying out such plan; and be it further

Resolved, That the officers of the association, together with the Committee of Investigation, be authorized to make such changes and modifications in the plan presented as they may deem expedient.

This is a very advanced position which has now been taken up by the association, and it is certain to have a far-reaching influence in materially reducing this class of dealings.

The board also passed a resolution instructing the officers to incorporate the association under the laws of the State of New York.

The resignation of the St. Joseph Association which was presented owing to the attitude of the National organization in endorsing, at its last convention, the Torrey Bankruptcy Bill, was accepted.

A letter was also read from Mr. Yale, President of the St. Joseph Association, disclaiming any intention whatever in forming another National organization, which action was widely intimated at the time when the St. Joseph Association withdrew from membership.

It was the unanimous sentiment of all the members of the board that very effective work will be done during the current year looking to the great improvement of mercantile transactions.

At the invitation of President Cannon the board dined together at the Hotel Manhattan.

—At the annual meeting of the New York Clearing-House Association, on October 5, J. Edward Simmons, President of the Fourth National Bank, who presided, was re-elected President of the association. Stuart G. Nelson, Vice-President of the Seaboard National Bank, was re-elected Secretary. William Sherer and William J. Gilpin, Manager and Assistant Manager, were reappointed.

President Simmons neatly and tersely acknowledged his appreciation of the honor done him, and these committees were reconstituted as follows:

Clearing House Committee—(Old members) Frederick D. Tappen, President Gallatin National Bank, Chairman; Robert M. Gallaway, President Merchants' National Bank; (new members) William A. Nash, President Corn Exchange Bank; George G. Williams, President Chemical National Bank; James Stillman, President National City Bank.

Conference Committee—Edward E. Poor, President National Park Bank; Alexander Gilbert, President Market and Fulton National Bank; Horace E. Garth, President Mechanics' National Bank; Oliver S. Carter, President National Bank of the Republic; John T. Willetts, President Leather Manufacturers' National Bank.

Nominating Committee—Scott Foster, President People's Bank; R. L. Edwards, President of the Bank of the State of New York; A. H. Stevens, President Sixth National Bank; Henry C. Tinker, President Liberty National Bank; James M. Donald, Vice-President Hanover National Bank.

These committees were appointed by President Simmons:

Committee on Admissions—E. S. Mason, President Bank of New York, N. B. A.; Joseph C. Hendrix, President National Union Bank; H. Rocholl, President German-American Bank;

Frederick B. Schenck, President Mercantile National Bank; Edward Townsend, Cashier Importers and Traders' National Bank.

Arbitration Committee—G. G. Brinckerhoff, President National Butchers and Drovers' Bank; H. P. Brundrett, President Pacific Bank; Edwin Langdon, President Central National Bank; E. D. Randolph, President Continental National Bank; Theodore Rogers, President Bank of the Metropolis.

Special votes of thanks were given to George F. Baker, President of the First National Bank, for a portrait of Gen. Washington, and Mr. Simmons for a portrait of Alexander Hamilton, and acknowledgment was also made of these donations to the portrait gallery:

Portrait of Moses Taylor of the National City Bank, by his family; of Charles P. Leverich, by the Bank of New York; of George S. Coe, by the American Exchange National Bank; of Charles F. Hunter, by the People's Bank, and of Jacob D. Vermilye, by the Merchants' National Bank.

To the gallery are soon to be added also portraits of Thomas Tillotson of the Phenix National Bank, Sheppard Knapp of the Mechanics' Bank, and of Charles Vail of the National Bank of Commerce.

The report of the outgoing Clearing-House Committee was presented by Chairman Henry W. Cannon, President of the Chase National Bank.

From the annual report of Manager Sherer for the year ending Sept. 30, the following facts are obtained:

Transactions for year.		*Average daily transactions.*	
Exchanges	$31,337,760,947.98	Exchanges	$103,424,953.62
Balances	1,908,901,897.67	Balances	6,300,006.26
Total	$33,246,662,845.65	Total	$109,724,959.88

The largest transactions on any one day of the past year were $194,466,105 on July 2.

Debit balances for the year were paid as follows:

United States gold coin	$141,000.00
United States bearer gold certificates	41,000.00
Clearing-House gold certificates	13,735,000.00
United States Treasury notes	71,260,000.00
United States legal-tender certificates	1,100,065,000.00
United States legal tenders and change	72[illegible],650,897.67
Total	$1,908,901,897.67

For the past forty-four years the total clearings have been $1.134,201,773,780, and the daily average, $84,127,115.

The clearings for 1897 are about two thousand millions larger than for 1896.

The association is now composed of forty-six National banks and nineteen State banks. The Assistant Treasurer of the United States, at New York, also makes his exchanges at the clearing-house.

There are seventy-seven banks, trust companies, etc., in the city and vicinity, not members of the association, which make their exchanges through banks that are members.

NEW ENGLAND STATES.

Boston.—On October 1 detectives arrested a forger who was preparing to carry on extensive operations in forged checks purporting to have been drawn by prominent mercantile firms in New York.

—It is reported that the Winthrop National Bank has added $50,000 to its surplus in the past six months.

—At the recent annual meeting of the Boston Stock Exchange the officers were re-elected. The following members were elected to the governing committee to serve two years: Frank A. Day, Arthur Lithgow Devens, Joseph E. Hall, Arthur L. Sweetser, Chas. W. Tewksbury, Hery Wainwright, Philip V. R. Ely was elected to serve one year. The present officers are: President, L. B. Greenleaf; Vice-President, E. D. Bangs; Treasurer, Sydney Chase; Chairman and Secretary, M. R. Ballou.

—On September 25 the Bank Officers' Association of Boston took a harbor excursion on the steamer Plymouth, about 300 members and guests forming the party.

—Geo. W. Newhall, formerly Cashier, has been elected President of the Hamilton National Bank, to fill the vacancy caused by the death of A. H. Bean. Frank Tent was appointed Cashier.

Elected Cashier.—On October 2 the directors of the Somersworth (N. H.) National Bank elected Chas. M. Dorr, Cashier, to succeed the late Henry C. Gilpatrick. Mr. Dorr has been for years a leading dry goods merchant of Somersworth, and has had extensive banking experience. During the administration of President Harrison he was a National bank examiner for New Hampshire.

Bank Cashier Removed.—It was recently reported that Geo. H. Snow had been removed from his position as Cashier of the Cape Cod National Bank, Harwich, Mass. The directors state that the bank's accounts are all correct.

MIDDLE STATES.

Philadelphia.—Richard G. Filbert and others will establish a new State bank at Fox Chase with a capital of $50,000.

Washington, D. C.—The Lincoln National Bank has purchased the property formerly occupied by the National Bank of the Republic.

Albany, N. Y.—On October 4 there was sold $125,000 registered four per cent. bonds of the City of Albany, the last of which will mature in 1917. The National Savings Bank of Albany took two lots of water bonds at 101.80 and 104.91. The Albany Savings Bank took two other lots of water bonds at 107.90 and 110.

Pittsburg.—George Sheppard has resigned as Secretary and Treasurer of the Pittsburg Bank for Savings.

A New National Bank.—Stockholders of the new First National Bank, Catonsville, Md., met on September 22 and chose a board of directors, which in turn elected a partial executive force and appointed a committee to select a banking house. The bank has $50,000 capital.

Peekskill, N. Y.—C. A. Pugsley, who has been Cashier of the Westchester County National Bank, and who has recently filled the office of Vice-President also, has been promoted to the office of President in place of Cyrus Frost, who becomes Vice-President. Geo. A. Ferguson succeeds Mr. Pugsley as Cashier, and Robert Brotherton has been elected Assistant Cashier.

Mr. Pugsley has been connected with the bank since 1870, and for a number of years has been active in its management. The capital is $100,000 and the surplus and profits $130,000—a fact that is credible testimony as to his capacity as a banker. He has served as chairman of Group VII of the New York State Bankers' Association, and is also a member of the Executive Council of the American Bankers' Association.

New State Bank—The Commercial and Savings Bank is being organized at Snow Hill, Md., with $25,000 capital. Ground has been purchased on which a substantial brick banking house is being erected.

Lewes, Del.—The Bank of Lewes will be opened about November 1, and will have a building of its own handsomely and securely fitted up. Clarence Hodson will be President of the new bank, and its principal reserve agent will be the United States Trust Co., of Baltimore.

Baltimore, Md.—Postmaster-General James A. Gary has been elected President of the Citizens' National Bank, to succeed the late Henry James. Mr. Gary has been Vice-President for a number of years. He is succeeded in that office by Wesley M. Oler.

—Charles C. Homer, President of the Second National Bank, succeeds the late Henry James as President of the Baltimore Clearing-House Association.

—Wm. H. Norris, who has been Cashier of the Western National Bank for thirty-eight years, resigned recently on account of ill-health. William Marriott, Assistant Cashier, was elected to succeed him. The directors adopted resolutions expressing regret at the retirement of Mr. Norris.

SOUTHERN STATES.

Nashville, Tenn.—A meeting of the shareholders of the First National Bank has been called for October 30 to pass upon a plan of reorganization, which contemplates reducing the capital from $600,000 to $400,000. Present shareholders are to receive $252,000 of the new stock and the balance, $148,000, is to be sold, subscriptions for the entire amount having been received.

F. O. Watts, Cashier of the First National Bank of Union City, has been elected Cashier of this bank to succeed D. S. Williams, who becomes Vice-President. E. A. Lindsey has been appointed Assistant Cashier.

New Southern Banks.—The People's Bank, recently organized at Aiken, S. C., was reported ready for business on October 2; capital stock, $50,000.

—It is reported that O. S. Cummings, of Alvin, Tex., is interested in organizing a bank at Beaumont, Tex., with $100,000 capital.

Capital Stock Reduced.—At a meeting of the stockholders of the Exchange Bank, Athens, Ga., September 8, the capital of the bank was reduced from $100,000 to $75,000.

Reported Bank Consolidation.—It is reported that the National Live Stock Bank of Fort Worth, Tex., has consolidated its business with the American National Bank.

An Ex-Banker Acquitted.—Ed Hogaboom, President of the defunct City Savings Bank and Trust Company of Hot Springs, Ark., was acquitted recently of the charge of embezzling the funds of the bank, about two years ago, to the amount of upwards of $200,000.

WESTERN STATES

Detroit, Mich.—A notice was recently published signed by eight of the Savings banks announcing that after December 1 interest on savings deposits would be reduced to 3½ per cent.

—Recently several attempts were made to pass raised checks on some of the local banks, the attempt being successful in one or two instances. In each case genuine checks were deposited in the mail boxes by business firms, and the checks were stolen from the boxes and raised.

Missouri Bank Opened.—The new Butler County Bank, Poplar Bluffs, Mo., opened for business September 8.

New Bank in Indiana.—The Bank of Russiaville, Ind., will open on November 10 with $25,000 capital.

Bank in Prospect.—Arrangements are being made for erecting a new building and organizing a bank at Woodbine, Kans.

State Bank Organizing.—The State Auditor has granted permission to organize the Durand (Ill.) State Bank; capital, $25,000.

More New Banks in Kansas.—With the revival in business and under the new banking law there is an increase in the number of new State banks being organized. Among those recently chartered are:

State Bank of McPherson; capital, $10,000.
State Bank of Edna; capital, $5,000.
First State Bank of Dighton; capital, $8,000.
State Exchange Bank, Hutchinson; capital, $15,000.
State Bank of Pretty Prairie; capital, $5,000.
Citizens' State Bank, Little River; capital, $5,000.
Citizens' State Bank, Hutchinson; capital, $5,000.

—Farmers and stock raisers at Oberlin have organized the Farmers' State Bank, the capital all being subscribed by local capitalists.

Bank Wrecker Pardoned.—Francis A. Coffin, who has been serving a three years' sentence in the penitentiary for complicity in wrecking the Indianapolis (Ind.) National Bank, was pardoned by the President September 15.

New Minnesota Banks.—M. H. and W. A. Patten, local business men, have opened the Farmers and Merchants' Bank at Le Sueur, Minn.

—The Cottonwood State Bank is a new institution, with $15,000 capital.

New State Bank.—The State Bank, Ovid, Mich., has filed articles of incorporation, with $25,000 capital.

Kansas Bank Discontinues.—The Bennington Banking Co., of Bennington, Kan., has been compelled to discontinue business because of the death of C. Nelson, the principal owner, as the bank is a part of his estate, and the law prohibits the creation of additional liability against the estate of a deceased person. This, it is said, would prevent the bank from accepting deposits.

Cincinnati, Ohio.—C. A. Hinsch, Cashier of the Fifth National Bank since 1884, has been appointed President to succeed the late R. M. Nixon. Mr. Hinsch is the youngest of the local bank Presidents, being only 35, but has been engaged in banking since 1881.

New Banks in Missouri.—A certificate of incorporation was recently issued to the Butler County Bank, Poplar Bluff, Mo.; capital stock, $200,000.

—The Citizens' Bank, of Laclede, was recently incorporated, with $5,000 capital.

—The Bank of Campbell was incorporated on September 24, with $15,000 capital.

Missouri Bankers' Meeting.—Group III of the Missouri Bankers' Association, comprising eleven counties in the northwestern part of the State, met at St. Joseph September 16. W. C. Wells, President of the Wells Banking Co., Platte City, Mo., is chairman of the group and E. M. Austin, President of the Frazer & McDonald Bank, Forest City, secretary.

Iowa Bankers Meet.—Group IX of the Iowa Bankers' Association, comprising the counties of Washington, Louisa, Des Moines, Lee and Henry, met at Burlington, September 22. Addresses were made by J. J. Fleming of Burlington and W. H. Bliss of Salem, J. T. Whiting of Mt. Pleasant, J. T. Brooks of Hedrick and W. E. Blake of Burlington. W. H. Colton of Wapello was elected secretary-treasurer for the ensuing year, and the following executive board was chosen:

J. J. Fleming, National State Bank, Burlington; W. E. Blake, Merchants' National Bank, Burlington; George M. Hanchett, Cashier Lee County Savings Bank, Ft. Madison; A. J. Mathias, Cashier Keokuk Savings Bank, Keokuk; R. R. Bowland, Assistant Cashier Washington National Bank, Washington.

—Group II met at Sioux City, September 16. They were welcomed to the city by Mayor Cleland and D. T. Gilman, and the response was made by C. T. Tupper, Cashier of the George Savings Bank, of George, and O. P. Miller, of the Lyon County Bank, Rock Rapids.

The sessions were devoted to discussion of matters of special interest to bankers. E. H. Hubbard of Sioux City spoke on uniform laws governing commercial paper, and E. D. Huxford, Cashier of the Cherokee State Bank, opened an interesting discussion on the matter of making exchange charges uniform.

New Bank Chartered.—The Citizens' Bank, Lawrenceburg, Ky., has filed articles of incorporation. J. H. Lyon will be Cashier.

Bank Robber Indicted.—In 1893 the South Bend (Ind.) National Bank was robbed of $15,600 while the Cashier and employees of the bank were at lunch. Mr. Campbell, the Cashier, feeling that the robbery was due to his failure to properly lock the vault, agreed to make good the sum stolen. On September 22 the grand jury returned an indictment against George West, a convict, who it is believed was one of the men who robbed the bank.

Capital Stock Decreased.—The Citizens' Bank, Clinton, Mo., has decreased its capital from $50,000 to $25,000.

Denver, Colo.—Hon. James H. Eckels, Comptroller of the Currency, was the guest of the Denver Clearing-House Association at a banquet at the Brown Palace Hotel on the evening of September 23, and made an extended address, in the course of which he said:

"It will not do for the East to boast of its possession of the surplus capital of the country, which has come with age and thrift and opportunities, or the West to point with pride to its stupendous resources and its wonderful advancement.

The wealth of the one but continues to diminish if not employed, and that of the other is of no avail if not developed. The advancement of both follows the same pathway, and centers in the same interests.

I have to-night no plea to make for the country's accumulated capital upon the one hand, nor for its undeveloped riches on the other, except the plea that at a time when we are entering upon an era of better things they may be brought nearer together and not driven wider apart."

—The receipts of gold bullion at the branch mint in this city for September amounted to $1,149,365, a gain of $706,000 over the same month in 1896. During the nine months from January 1 to September 28 the receipts aggregated $8,388,088; for the same period of 1896 the aggregate amount was $3,128,436—gain, $5,259,652. Assayer Puckett predicts that the mint will receive $11,000,000 during the year.

PACIFIC SLOPE.

San Francisco.—A person styling himself "Sir Harry Westwood Cooper, M. D.," recently arrested here, is believed to be a noted bank swindler. He is said to be wanted by the Protective Committee of the American Bankers' Association.

—The Bank of British North America's financial report at the meeting just held in London shows a profit of £33,323, including £6,018, out of which the directors declared an interim dividend of 25s. per share, payable on October 5, leaving a balance of £8,323 to be carried forward. The bank reported the opening of five branches in British Columbia, necessitated by the rapid advances made in mining throughout the northern part of America, where the output of precious metals is steadily increasing.

New Bank to Open.—L. P. White and W. G. Brown, of Terra Alta, West Va., are reported to have made arrangements for opening a bank at Whatcom, Wash.

Banking Capital Increased.—The Bank of Monterey, Cal., has increased its capital from $65,000 to $75,000.

Portland, Ore.—It is reported that the Commercial National Bank will go into voluntary liquidation and will be succeeded by the well-known banking firm of Wells, Fargo & Co. As the firm owned the controlling interest in the bank, the change is more one of form than management.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Alabama.—On September 16 the Colbert County Bank, Tuscamhia, suspended owing to a run. Liabilities are not large.

California.—The City Bank of Los Angeles, which failed in 1893, having disposed of all its assets, has been finally wound up by the court. It paid to its creditors twenty-two and one-half per cent. on the dollar. The first dividend was ten per cent. in July, 1894, then seven per cent. in December, 1896, and the last dividend of five and one-half per cent. was ordered paid on July 19, 1897.

Colorado.—The Bank of Montrose closed September 29. J. E. McClure, the President, was a stockholder in the Bank of Rico, which failed recently, and this caused a run on the Montrose Bank. Deposits are about $177,000.

—The Bank of Rico posted a notice of suspension on September 20.

Connecticut—HARTFORD.—The directors of the Mercantile National Bank, whose affairs are in process of liquidation, have declared a dividend of fifty per cent. on the capital stock.

Indiana.—The affairs of the First National Bank of Greensburg have been turned over to the directors of the bank with sufficient funds on hand to pay all depositors in full. The bank will go into voluntary liquidation.

Michigan.—On September 18 the First National Bank, Benton Harbor, suspended, and was placed in the hands of Bank Examiner Geo. B. Caldwell, who says that the failure was due to the speculations of ex-Cashier James Bailey, "whose unwise investments and dangerous speculative tendencies led to his removal last June." Bailey has turned over property to the bank valued at $10,000.

The bank is also burdened with a large amount of real estate, taken as security, which is not available for paying depositors.

Deposits had decreased heavily in the past three months, and were only about $90,000 at the time of the failure.

Minnesota—MINNEAPOLIS.—It is said that it will be impossible to enforce the payment of a large part of the liability of the stockholders of the Bank of New England, and that probably not more than $40,000 of the $93,000 liability will be collected.

—ST. PAUL.—The first report of the Receivers of the Bank of Minnesota, which failed December 22, 1896, with liabilities of $2,325,522, was made September 28.

It shows that the creditors of the bank will probably receive about 60 per cent. of their claims. The total receipts so far have been $422,664 and the disbursements $238,304, leaving a balance on hand of $183,229. The Receivers ask for the privilege of declaring a 10 per cent. dividend at once.

After the payment of this first dividend the indebtedness will amount to about $1,500,000. The assets applicable to the payment of this indebtedness consist of the unpaid stock liability of $500,000 and the remaining assets of the bank carried on the books, $2,376,398. About $400,-000 of this latter is regarded as worthless.

Missouri.—Receiver Latimer of the First National Bank, Sedalia, recently disposed of assets of the bank of a face value of $150,000 for $385.

Nebraska.—The State Bank, Davenport, Neb., closed September 24, giving as a reason that it had more money than could be loaned.

New York—NEW YORK CITY.—Seymour Bros., brokers in stocks, grain and cotton, assigned to Charles Donohue, September 15.

J. L. Starbuck, assignee of J. R. Willard & Co., stock brokers, announces that the schedule of assets and liabilities shows a liability of over $1,000,000. The nominal assets are put down at $80,000, and the actual assets at $50,000.

Ohio—CLEVELAND.—The stock brokerage firm of Charles H. Potter & Co., which did a large business, was placed in the hands of a Receiver on October 4. It was alleged in the petition for a Receiver that the firm is hopelessly insolvent, and that they are indebted to banks and individuals in a sum exceeding $2,000,000.

Pennsylvania.—On September 30 the Government National Bank, of Pottsville, went into voluntary liquidation, after having done business for thirty-five years. All claims will be paid on presentation.

Washington.—The assets of the Columbia National Bank, Whatcom, recently disposed of at the Receiver's sale, represented a face value of $193,773, and the amount realized was $9,647.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5086—Mendota National Bank, Mendota, Illinois. Capital, $50,000.
5087—Fargo National Bank, Fargo, North Dakota. Capital, $50,000.
5088—Farmers' National Bank, Vinton, Iowa. Capital, $65,000.
5089—Millikin National Bank, Decatur, Illinois. Capital, $200,000.
5090—American Exchange National Bank, Cleveland, Ohio. Capital, $250,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

First National Bank, Catonsville, Md.; by John F. Sippel, *et al.*
Commercial National Bank, Union City, Ind.; by James F. Rubey, *et al.*
National Bank of Ocean City, Ocean City, N. J.; by Chas. A. Collins, *et al.*

NEW BANKS, BANKERS, ETC.

ALABAMA.

BRIDGEPORT—Bank of Bridgeport; Pres., R. C. Gunter; Vice-Pres., J. H. Gunter; Cas., T. R. Patterson.

ARKANSAS.

HARRISON—Citizens' Bank; capital, $15,000; Pres., R. T. Knight; Cas., Chas. M. Greene, Asst. Cas., F. W. Greene.

CONNECTICUT.

NEW HAVEN—Boody, McLellan & Co.; Jno. C. Clark, Mgr.

DELAWARE.

LEWES — Bank of Lewes; Pres., Clarence Hodson.

GEORGIA.

HOLLY—More & Co.

TILTON—More & Co.

ILLINOIS.

CHICAGO—Prairie State Bank (successor to Prairie State Nat. Bank and Prairie State Trust Co.); capital, $200,000.

DES PLAINES—Bank of Des Plaines (Palmer & Co.)

DURAND — Durand State Bank (successor to Bank of Durand); capital, $25,000.

MENDOTA—Mendota National Bank; capital, $50,000; Pres., R. N. Crawford; Cas., Geo. D. Tower.

MURPHYSBORO — Commercial Bank; Cas., Phil Decker.

PLANO—Steward Bros.

INDIANA.

AMBIA—Citizens' Bank (successor to State Bank); Pres., D. P. Baldwin; Vice-Pres., W. H. Dogue; Cas., L. A. Wiles.

NEW PALESTINE—New Palestine Bank; Pres., William T. Eaton.

RUSSIAVILLE—Bank of Russiaville; capital, $25,000; Pres., Lowell Cox; Cas., Robert Kincaid.

INDIAN TERRITORY.

AFTON—Bank of Afton.

IOWA.

EXIRA—John Gray.

VINTON—Farmers' National Bank (successor to Farmers' Loan and Trust Co.); capital, $65,000; Pres., Geo. Horridge; Vice-Pres., W. C. Ellis; Cas., C. O. Harrington; Asst. Cas., Geo. D. McElroy.

KANSAS.

DIGHTON—First State Bank; capital, $8,000.

EDNA — Edna's State Bank; capital, $5,000; Pres., F. P. Diars; Vice-Pres., I. W. Clark; Cas., J. H. Lower.

HUTCHINSON—State Exchange Bank; organizing.——Citizens' Bank (successor to Farmers' State Bank); capital, $5,000; Pres., J. W. Pulliam; Vice-Pres., Geo. M. Hoffman; Cas., L. M. Waitt; Asst. Cas., E. B. Pulliam.

LITTLE RIVER—Citizens' State Bank; capital, $5,000.

McPHERSON—Citizens' State Bank: capital, $10,000; Pres., Thomas C. Sawyer; Vice-Pres., Fred B. Clarke; Cas., E. O. Eyman.

PRETTY PRAIRIE—State Bank; capital, $5,000; Pres., J. A. Collingwood; Cas., Ella Demoret.

YATES CENTER—Citizens' State Bank; capital, $5,000; Pres., J. N. Gunby; Cas., E. A. Runyon; Asst. Cas., J. F. Gunby.

KENTUCKY.

LAWRENCEBURG — Citizens' Bank; capital, $20,000; Pres., A. C. Witherspoon; Vice-Pres., Burton Cox; Cas., J. H. Lyon.

LOUISIANA.

CLINTON—Bank of Clinton; capital, $15,000; Pres., D. W. Pipes; Vice-Pres., E. J. Buck; Cas., H. H. Forrester.

MARYLAND.

CATONSVILLE—First National Bank; capital, $50,000: Pres., Chas. G. W. McGill; Vice-Presidents, John F. Sippel and V. G. Bloede.

SNOW HILL—Commercial and Savings Bank; capital, $25,000; Pres., L. L. Dirickson, Jr.; Cas., Geo. S. Payne.

MICHIGAN.

BENTON HARBOR—Rounds, Warner & Co.; Cas., Jas. Baley.

BRONSON—Exchange Bank; capital, $25,000: Pres., Richard Coward; Vice-Pres., Wm. M. Monroe; Second Vice-Pres., W. D. Monroe; Cas., F. Ernest Shaffmaster.

OVID—Ovid State Bank (successor to First Nat. Bank); capital, $25,000; Pres., H. A. Potter; Cas., H. F. Harris.

SUNFIELD—Sunfield Banking Co.; Pres., Jno. H. Palmer.

MINNESOTA.

FISHER—Citizens' Bank.

LE SUEUR—Farmers & Merchants' Bank; Pres., W. H. Patten; Cas., W. A. Patten.

MANKATO—Commercial Bank.

MAYNARD—Maynard Bank.

MENAHGA—People's Bank.

MILICA—Bank of Milica (M. M. King).

PIPESTONE—Leonard & Reed.

WOOD LAKE—Bank of Wood Lake; Pres., F. J. Illsley; Cas., R. J. Olin.

MISSISSIPPI.

RIPLEY — Tishomingo Savings Institution (branch); John Murray, Jr., Agent.

MISSOURI.

CAMPBELL—Bank of Campbell; capital stock, $15,000.

MONTANA.

PHILIPSBURG—H. I. Weinstein & Co.

NEBRASKA.

LIBERTY—State Bank; capital, $20,000.

NEW YORK.

GLENS FALLS—Glens Falls Loan & Trust Co.

NEW YORK CITY—Lanson & Morgan, 27 William St.

ROCHESTER—Spader & Mercer (successors to Willard B. Spader).——Union Trust Co.: capital, $200,000.

NORTH DAKOTA.

KULM First State Bank; capital, $6,000; Pres., John Groesz; Vice-Pres., Geo. Gackle; Cas., R. R. Hedtke.

OHIO.

ARCHBOLD—Archbold Banking Co.; capital, $10,000; Pres., A. J. Murbach; Vice-Pres., C. A. Bowersox; Cas., E. Y. Morrow.

WEST FARMINGTON—Farmers' Banking Co.; capital, $25,000; Pres., A. H. Clark; Vice-Pres., John Hart; Cas., L. B. Kennedy.

SOUTH CAROLINA.

AIKEN — People's Bank; capital, $50,000; Pres., F. B. Henderson; Cas., L. S. Trotti.

SOUTH DAKOTA.

VALLEY SPRINGS—Minnehaha County Bank; Cas., L. S. Hetland: Asst. Cas., Anthon Olson.

TEXAS.

LIVINGSTON—Polk County Bank; capital, $20,000; Pres., Geo. W. Riddle.

OAKWOOD—Farmers' Bank.

WASHINGTON.

NEW WHATCOM—Bank of New Whatcom; capital, $50,000; Cas., L. P. White.

WISCONSIN.

WESTBY—Bank of Westby; capital, $2,500; Carl O. Brye, Proprietor.

CANADA.

BRITISH COLUMBIA.

ROSSLAND—Merchants' Bank of Halifax.

MANITOBA.

MINNEDOSA—Union Bank of Canada; E. O. Denison, Manager.——Vere H. Pickering, Banker; capital, $15,000.

CHANGES IN OFFICERS, CAPITAL, ETC.

CALIFORNIA.

LOS ANGELES—California Bank; J. E. Fishburn, Asst. Cas. in place of Jno. G. Mossin.

MONTEREY—Bank of Monterey; capital increased to $75,000.

PASADENA—Pasadena National Bank; Mortimer Ayers, Vice-Pres. in place of Wm. Stanton.

SAN DIEGO—First National Bank; D. F. Garretson, Cas. in place of J. E. Fishburn.

STOCKTON—Farmers and Merchants' Bank; capital increased to $500,000.

COLORADO.

TRINIDAD—American Savings Bank; Ralph Cullinan, Cas., resigned.

CONNECTICUT.

NORWICH—Dime Savings Bank; H. H. Osgood, Pres, in place of Edward R. Thompson, deceased.

PUTNAM—Putnam Savings Bank; Z. A. Ballard, Vice-Pres., deceased.

DISTRICT OF COLUMBIA.

WASHINGTON—Silsby & Co.; reported resumed.

GEORGIA.

ATHENS - Exchange Bank; capital stock reduced from $100.000 to $75,000.

ATLANTA — Maddox-Rucker Banking Co.; Robert F. Maddox, Jr., Asst. Cas. in place of G. A. Nicolson.

CULLODEN—Bank of Culloden; capital, $25,000; Geo. Z. Blalock, Pres.; William Powell, Cas.

SAVANNAH—Chatham Bank; R. F. Burdell, Cas., deceased.

TIFTON--Bank of Tifton; W. W. Banks, Cas. in place of Chas. W. E. Marsh, resigned.

WAYCROSS—First National Bank; J. E. Wadley, Vice-Pres. in place of J. S. Bailey.

IDAHO.

GENESEE—Genesee Exchange Bank; capital, $25,000; E. J. Dyer, Pres.; Geo. H. Kester, Vice-Pres.; Thos. H. Brewer, Cas.

ILLINOIS.

ANNA—First National Bank; Walter Grear, Vice-Pres. in place of J. H. Mitchell.

CARMI—First National Bank; Bradford Powell, Vice-Pres. in place of John Land.

CARTHAGE—Hancock Co. National Bank; David Mack, Pres., deceased.

CHAMPAIGN—Burnham, Trevett & Mattis; A. C. Burnham, deceased; title changed to Trevett & Mattis National.

CHICAGO—A. O. Slaughter & Co.; A. O. Slaughter, Jr., admitted to firm.——National Live Stock Bank; Irus Coy, director, deceased.

FRANKLIN GROVE—P. C. Rooney, banker, deceased.

ROCKFORD—Third National Bank; John H. Sherratt, Pres. in place of A. C. Spafford, deceased.

INDIANA.

COLUMBUS—First National Bank; Frank Griffith, Asst. Cas. in place of Frank F. Herod, resigned.

GREENFIELD—Citizens' Bank; Philander H. Boyd, Pres., deceased.

NORTH MANCHESTER—Lawrence National Bank; C. Cowgill, Pres. in place of John M. Curtner.

RICHMOND—First National Bank; J. F. Elder, Vice-Pres. in place of C. W. Ferguson; J. F. Elder, Cas. in place of J. F. Reeves; C. B. D. Hadway, Asst. Cas.

INDIAN TERRITORY.

MARIETTA—Merchants and Planters' Bank; W. S. Derrick, Pres.; J. H. Derrick, Cas.

IOWA.

BRITT—Commercial Bank; Wm. Erwin, Asst. Cas. in place of Tena Rasmuson.

CEDAR FALLS—Cedar Falls National Bank; M. N. Dayton, 2d Vice-Pres.

GARNER—First National Bank; no Pres. in place of J. M. Elder.

MONTEZUMA—First National Bank; Jno. Hall, Jr., Cas. in place of Geo. W. Kierulff; E. D. Rayburn, Asst. Cas. in place of Jno. Hall, Jr.

STUART—First National Bank; H. Lawbaugh, Pres. in place of J. R. Bates; P. L. Sever, Vice-Pres. in place of H. Lawbaugh; J. R. Bates, Cas. in place of H. Leighton.

KANSAS.

OSAGE CITY—First National Bank; Anna G. Lake, Cas.

OSKALOOSA—Jefferson Co. Bank; T. Critchfield, Pres., deceased.

LOUISIANA.

JENNINGS—Jennings Banking and Trust Co.; C. L. Pardo, Cas. in place of Frank R. Jaenke.

MAINE.

ROCKLAND—North National Bank; corporate existence extended until September 6 1917.

SACO—York National Bank; Hampden Fairfield, Pres. in place of R. F. C. Hartley, deceased.

MARYLAND.

BALTIMORE—Baltimore Clearing-House; Chas. C. Homer, Pres. in place of Henry James, deceased.——Citizens' National Bank; James A. Gary, Pres. in place of Henry James; Wesley M. Oler, Vice-Pres. in place of James Gary.——South Baltimore Bank; Nelson Baker, director, deceased.——National Farmers and Planters' Bank; Richard B. Sellman, Cas. in place of Richard Cornelius, deceased.——Western National Bank; William Marriott, Cas. in place of W. H. Norris, resigned.

MASSACHUSETTS.

BOSTON—Pfaelzer & Walker; removed to 27 State St.——Hamilton National Bank; Geo. W. Newhall, Pres. in place of A. H. Bean, deceased; Frank Tent, Cas. in place of Geo. W. Newhall.

HARWICH—Cape Cod National Bank; Geo. H. Snow, no longer Cas.

WILLIAMSTOWN—Williamstown National Bank; W. B. Clark, Cas. in place of Charles S. Cole, resigned.

MICHIGAN.

FULTON—Southern Bank; Samuel A. Dedman, Pres., deceased.

SAULT STE. MARIE—Sault Ste. Marie National Bank; no Vice-Pres. in place of John Q. Look; no Asst. Cas. in place of Frank T. Trempe.

STURGIS—Citizens' State Bank; M. E. Aulsbrook, Pres. in place of Nelson I. Packard, deceased.——National Bank of Sturgis; Nelson I. Packard, Vice-Pres., deceased.

UNION CITY--Farmers' National Bank; corporate existence extended until October 2, 1917.

MINNESOTA.

AITKIN—Aitkin County Bank; F. R. Foley, Pres. in place of Warren Potter.

RUTHTON—Bank of Ruthton; M. H. Evans, Pres.; M. J. Evans, Cas.

WATKINS—Watkins State Bank; capital, $10,000; Henry C. Bull, Pres.; P. O. Skoglund, Cas.

MISSOURI.

ASHLAND—Bass & Johnston; succeeded by Bass-Johnston Banking Co.; capital, $20,000; L. Bass, Pres.; Jno. S. Harris, Cas.

CLINTON—Citizens' Bank; capital stock reduced to $25,000.

PIEDMONT—Farmers and Merchants' Bank; G. M. Withers, Cas. in place of G. A. Withers, deceased; Chas. H. Jones, Asst. Cas. in place of G. M. Withers.

ST. LOUIS—Mississippi Valley Tr. Co; James T. Drummond, director, deceased.

MONTANA.

HELENA—Montana National Bank; A. L. Smith, Pres. in place of T. A. Marlow; Thomas C. Kurtz, Cas. in place of A. L. Smith.

NEBRASKA.

ST. PAUL—Citizens' National Bank; Edward McCormick, Pres., deceased.

NEW HAMPSHIRE.

SOMERSWORTH — Somersworth Nat. Bank; Chas. M. Dorr, Cas. in place of Henry C. Gilpatrick, deceased.

NEW JERSEY.

ASBURY PARK—First Nat. Bank; Martin V. Dager, Cas., in place of A. C. Twining; no Asst. Cas. in place of M. V. Dager.

NEW YORK.

BUFFALO—Buffalo Commercial Bank; Frederick L. Danforth, Pres., deceased.—People's Bank, Geo. H. Lewis, director, deceased.

LOCKPORT—Niagara Co. Nat. Bank; Ransom Scott, Pres. in place of Thos. T. Flagler, deceased.

NEW YORK CITY—Chase Nat. Bank; corporate existence extended until Sept. 12, 1917.—Colonial Bank; Wm. H. Law, Actg. Cas. in place of Isaac W. White.—E. C. Potter & Co.; Chas. M. Oelrichs retired from firm.—Douglas & Jones; Warren T. James and Henry A. Seymour admitted to firm.—J. S. Bache & Co.; L. L. Lathrop admitted to firm.

NORWICH—National Bank of Norwich; C. W. Olendorf, Vice-Pres. in place of Harvey Thompson.

PEEKSKILL — Westchester Co. Nat. Bank; Cornelius A. Pugsley, Pres. in place of Cyrus Frost; Cyrus Frost, Vice-Pres; Geo. A. Ferguson, Cas.; Robert Brotherton, Asst. Cas.

NORTH DAKOTA.

FARGO — Fargo National Bank; O. J. de Lendrecie, Vice-Pres.

OHIO.

ALLIANCE—City Savings Bank; Thomas R. Morgan, Pres., deceased.

BRYAN—Farmers' Nat. Bank; I. E. Gardner, Cas. in place of Emery Lattanner.

CINCINNATI — Fifth National Bank; C. A. Hinsch, Pres. in place of R. M. Nixon, deceased.

FLUSHING—First Nat. Bank; Ralph Bethel, Asst. Cas. with authority to act as Cas. from Sept. 20 to Oct. 20.

MASSILLON—Massillon Savings and Banking Co.; Arvine Wales, Cas. in place of E. L. Arnold, resigned.

TOLEDO—Merchants' National Bank; Edwin Jackson, Cas. in place of Chas. C. Doolittle.

OKLAHOMA.

KINGFISHER — People's Bank; F. D. Warnicke, Vice-Pres., deceased.

OREGON.

PORTLAND — Commercial National Bank; succeeded by Wells, Fargo & Co's Bank; (branch of San Francisco); John J. Valentine, Pres.; Homer S. King, Manager; R. M. Dooly, Cas.; H. G. Hanley, Asst. Cas.

PENNSYLVANIA.

BELLE VERNON—First National Bank; no Vice-Pres. in place of J. C. Cunningham.

CLARION — First National Bank; Charles Leeper, Pres., deceased.

LANCASTER—Fulton National Bank; John D. Skiles, Pres. in place of John R. Bitner, deceased.

MECHANICSBURG — First Nat. Bank; James A Brandt, Asst. Cas.

MILTON—Milton National Bank; Marshall Reid, Pres. in place of Wm. C. Lawson, deceased.

PHILADELPHIA—Western Nat. Bank; Jno. C. Garland, Cas., deceased.

PITTSBURG — Third National Bank; Geo. Sheppard, Vice-Pres.—Pittsburg Bank for Savings; Wm. J. Jones, Treas. in place of Geo. Sheppard, resigned.

WEST GROVE—Nat. Bank of West Grove; Robert L. Pyle, Vice-Pres. in place of Menander Wood, deceased.

SOUTH DAKOTA.

HURON—Burnham, Trevett & Mattis; A. C. Burnham, deceased.

TENNESSEE.

HARRIMAN—First National Bank; no Pres. in place of Walter C. Harriman.

MEMPHIS—First National Bank; C. Q. Harris, Cas.; no Asst. Cas. in place of C. Q. Harris.

MORRISTOWN –First National Bank; J. N. Fisher Cas. in place of C. V. Taylor.

TEXAS.

CORSICANA—Fleming & Templeton; successors to Fred. Fleming.

DETROIT—First National Bank; T. P. Guest, Cas. in place of D. A. Chambers; J. A. Caton, Asst. Cas. in place of T. P. Guest.

UTAH.

SALT LAKE CITY—Bank of Commerce; S. Fred. Walker, Cas., deceased.

VERMONT.

ST. JOHNSBURY—First National Bank; H. A. Hawley, Asst. Cas.

NEWFANE—Windham Co. Savings Bank;

A. G. Warren, Treas. in place of Milon Davidson, deceased.

VIRGINIA.

RICHMOND—Virginia Trust Co.; Lewis Ginter, director, deceased.

WEST VIRGINIA.

CAIRO—Bank of Cairo; Romeo H. Freer, Pres.; E. A. Caron, Cas.

GRAFTON—First National Bank; Leonard Mallonee, Vice-Pres.; Wilbur E. Davis, Cas. in place of L. Mallonee; G. H. A. Kunst, Asst. Cas. in place of C. R. Durbin.

WASHINGTON.

MOUNT VERNON—First National Bank; no Pres. in place of Geo. D. McLean.

WISCONSIN.

GREEN BAY—Kellogg National Bank; W. E. Kellogg, Cas. in place of H. B. Baker, deceased.

MARSHFIELD—First National Bank; no Asst. Cas. in place of Ernst S. Schmidt.

WAUPUN—First National Bank; Geo. F. Wheeler, Pres. in place of Geo. W. Mitchell; L. D. Hinkley, Vice-Pres. in place of Geo. F. Wheeler; no Asst. Cas. in place of L. D. Hinkley.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

ALABAMA.

TUSCUMBIA—Colbert County Bank.

COLORADO.

MONTROSE—Bank of Montrose.

RICO—Bank of Rico; in voluntary liquidation September 20.

IOWA.

GRAND JUNCTION—Citizens' State Bank.

KANSAS.

BENNINGTON—Bennington Banking Co.; reorganized as a State bank.

DIGHTON—First National Bank; in voluntary liquidation October 1.

OBERLIN—First National Bank; in voluntary liquidation September 10.

MICHIGAN.

BENTON HARBOR—First National Bank; in hands of D. B. Ainger, Receiver, September 21.

MISSOURI.

KANSAS CITY—Midland National Bank; in voluntary liquidation by resolution of August 25.

NEBRASKA.

DAVENPORT—State Bank.

LIBERTY—First National Bank; in voluntary liquidation October 1.

YORK—Nebraska National Bank; in voluntary liquidation.

NEW YORK.

NEW YORK CITY—Seymour Bros.——J. R. Willard & Co.; assigned to J. L. Starbuck.

OHIO.

CLEVELAND—Chas. H. Potter & Co.; in hands of Alexander S. Taylor, Receiver.

PENNSYLVANIA.

POTTSVILLE—Government National Bank; in voluntary liquidation September 30.

WASHINGTON.

HAMILTON—I. E. Shrauger & Co.; discontinued.

WISCONSIN.

MONTFORT—Monfort Bank.

CANADA.

ONTARIO.

SEAFORTH—Farmers' Bank; assigned.

A Noteworthy Scene.—In commenting on the suggestion of the MAGAZINE, that the antagonists of banks be invited to expound their views before the bankers' conventions, the "Denver Post" says:

"It would certainly be a noteworthy scene to have the labor and granger agitators, who are popularly conceived to be the aspersion throwers against the bank and bankers, on the the same platform discussing each other's ideas on how a bank should be conducted. Doubtless either would consider the business condescension. Nevertheless the impression remains that a benefit would accrue to both by such a meeting and exchange of ideas, resulting in a pleasanter understanding all around, perhaps a mutual helpfulness and legislation effective of good in the line of the aspirations of capital and labor, which these classes of men may be held to represent."

All Bankers Should Take It.—D. H. RASBACH, for many years in the banking business at Canastota, N. Y., writes to the MAGAZINE as follows under a recent date: "I took your MAGAZINE for many years. I think all bankers should take it; not only take it, but read it."

Holds First Place.—EUSTICE C. HAIL, Cashier of the Pembroke (Ky.) Deposit Bank, in renewing the bank's subscription to the MAGAZINE and the BANKERS' DIRECTORY, writes: "Your publications deservedly hold first place in this country. Keep the standard high."

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, October 4, 1897.

A REACTION IN PRICES of our staple articles of exports and in securities was the most important feature of the month just closed, a month which was quite barren of sensational events in financial or business circles. Wheat is selling 7 @ 8 cents a bushel lower than it was a month ago, corn about 2 cents lower, cotton 1½ cents lower, pork 50 cents lower and lard 30 cents lower. There has been no important change in the price of iron, while copper and lead have advanced slightly.

The stock market advanced during the first half of the month and stocks generally reached the highest prices of the year, but there was a reaction which carried prices lower in the last two weeks of the month. Money is gradually growing dearer and the bank reserves are declining as a consequence of the demand for money for moving the crops. The banks of late have had more need of currency in the form of paper than of gold and some of the larger institutions have been paying their balances at the clearing-house in gold coin or gold clearing- house certificates.

The United States Treasury still maintains its gold reserve intact, but its stock of legal-tender notes and certificates is getting very low, and unless revenues are to increase the paying out of gold will become a necessity. In that event the issue of gold certificates may be resumed, as the Secretary of the Treasury has the authority to issue such certificates while the gold reserve remains in excess of $100,000,000.

While some gold has come from abroad the movement has not assumed any great proportions, and at present has come to a halt. Both the Bank of England and the Bank of Germany advanced their rates of discount last month, the former from 2 to 2½ per cent. the latter from 3 to 4 per cent. Considerable gold has been taken from the Bank of England in the past few weeks, but that institution, notwithstanding its stock of gold has fallen to the lowest point touched in three years, excepting in December last year, is taking no precaution to prevent a drain, but has been increasing its loans at the rate of $2,000,000 to $3,000,000 per week.

In connection with the Bank of England a rather startling rumor reached this country during the month, and it turned out to have more of a foundation than so sensational a piece of news may usually be expected to have. That the Bank of England should come to the aid of silver no one was prepared to believe, but it turned out that the Governor of the Bank had written to the Chancellor of the Exchequer that the Bank was prepared to hold one-fifth of the bullion held against its note issue in silver, provided the French mint was reopened to the free coinage of silver and the prices at which silver is procurable and salable are satisfactory. The Bank charter of 1844 permits this, but the Bank of England has never availed itself of the privilege.

The statement of the Governor of the Bank, in view of the conditions named, means nothing at all for silver. Even were the Bank to establish such a silver reserve, it could help silver very little, and only about $33,000,000 of silver could be thus employed. For twelve years the United States Government bought $24,000,000 of silver annually without preventing a decline in the price, and for three years was buying 48,000,000 ounces annually, while the price kept going lower.

Under the stimulus of the news the price of silver had a sharp advance during the month, moving up from 23¾ to 27¼d per ounce in London, but it has since lost 1¾d of the gain.

The most favorable developments are taking place in the traffic opperations of the railroads of the country. On a mileage of nearly 100,000 miles an increase of nearly $5,000,000, or 12½ per cent. in gross earnings, was reported in August. So far as reported for September, railroad earnings have been increasing rapidly, in the first week 9 per cent., in the second week nearly 13 per cent. and in the third week nearly 15 per cent. The St. Paul road reports an increase of $256,000 in gross earnings in August and of $246,000 in net earnimgs, the Chicago Burlington and Quincy an increase of $739,000 gross and $358,000 net, the Pennsylvania $825,000 gross and $574,000 net the Erie $506,000 gross and $100,000 net; other roads in various parts of the country showing similar gains.

Investors are beginning to receive substantial and practical evidences of the improved situation in the shape of increased dividends. The St. Paul has declared a semi-annual dividend of 3 per cent. an increase of 1 per cent. over the dividend previously paid, and the Rock Island has doubled its annual dividend, making it 4 per cent. as against 2 per cent., the former rate. Should the improvement continue there will be other roads to increase their dividends, but the enforced economy of the years of bad business has made it necessary for many of the roads to use their first profits of the prosperous era in making necessary repairs, adding new equipment and making additions to their plant. From this source the iron trade is yet to reap its advantage.

This industry presents an anomalous condition at present. While the general report is that orders have booked to the end of the year, so that with both in the iron and steel trade business is being turned away, prices are still at a very low level. All the large steel works are crowded to their full capacity, but so far there has been no boom in prices. That this condition seems not likely to exist very long is the general opinion of the trade. At present foundry pig iron at Philadelphia is quoted at $11.25 against $11.75 a year ago; Pittsburg Bessemer pig at $10.75 against $11.50 a year ago; steel billets, Pittsburg $16.25 against $19.59, and steel rails $19 against $24 last year.

There is some disappointment that the price of cotton has fallen again. In our export trade cotton is the leading staple. In the year ended August 31, the cotton exports aggregated in value nearly $228,000,000 and except in years of short crops or low prices they rarely fall below $200,000,000. In 1891 they were valued at over $300,000,000, but in that year the average price was 9.6. In the year just ended 7.5 cents as against 8.1 cents in 1896, and 5.7 cents in 1885. The Department of Agriculture reported the condition of the new crop on September 1 at 78.3 per cent., which compares with 64.2 per cent. a year ago, the lowest September average on record. The condition this year is the best in six years excepting 1894. The yield of cotton last years estimated at about 8,700,000 bales, and although it is too early for accurate estimates of this year's yield, the Department's estimates of condition and acreage indicate a total of about 10,000,000 bales.

Increased activity in the bituminous coal trade may now be looked for, the strike among the miners, in which about 150,000 men were engaged for about ten weeks, having been settled. The miners secure an increase in wages of about twenty per cent., a fact of itself significant of the improvement which has taken place in business. A strike in the anthracite coal region has also been ended but unfortunately not until the authorities were compelled to take a number of lives in a conflict with the miners at Latimer, Pa.

There has been some check to business in certain portions of the South by an outbreak of yellow fever in Mississippi and other of the Gulf States. New Orleans suffered worst from the plague and also from the cutting off of railroad communication with the city.

The foreign demand for American grain is strikingly depicted in the foreign trade statistics for the month of August, practically the first month of the new wheat movement. The exports of wheat increased from less than 4,000,000 bushels in July to more than 14,000,000 bushels in August. The wheat exports in August were the largest for any corresponding month since 1882 except in 1891 and 1892. Wheat flour exports have fallen off, however, and were the smallest for any August since 1891. Corn exports, however, were the largest in quantity for any corresponding month in the history of the country. The shipments of wheat, wheat flour and corn in August of each of the past ten years have been as follows:

YEAR.	*Wheat.*	*Flour.*	*Total wheat and wheat flour.*	*Corn.*
	Bushels.	Barrels.	Bushels.	Bushels.
1888	7,834,376	915,808	11,455,512	2,851,648
1889	6,885,083	1,063,257	11,619,689	4,993,185
1890	5,440,107	886,224	9,428,115	2,855,758
1891	22,104,239	925,684	26,269,582	1,278,728
1892	13,868,780	1,369,889	19,583,230	3,046,078
1893	14,515,810	1,893,098	23,084,751	7,166,494
1894	8.546,649	1,523,852	15,408,983	846.745
1895	4,244,085	1,126,692	9,314,199	4,890,583
1896	6,698,004	1,460,582	13,265,898	11,022,477
1897	14,246,403	997,011	18,732,952	14,766,585

While there has been such an extraordinary increase in the bulk of our grain exports the increase in values has been even greater as regards wheat owing to the advance in price. Corn does not make as favorable a showing in this respect although the price is somewhat higher than it was a year ago. The average export price of wheat in August was 29.4 cents per bushel higher than in August last year, the average being 92.1 cents as against 62.7 cents in August, 1896, 66.5 cents in 1895, and 58.6 cents in 1894. The price this year is the highest recorded in August of any year since 1885 excepting only in the year 1890 and 1891. Wheat flour shows an advance of 86.5 cents per barrel, the average being $4.27 per barrel, the highest since 1893.

The average price of corn exported in August was 33.5 cents per bushel, an increase of only 1.2 cent per bushel over last year, when the August price was the lowest recorded in thirty years. The values and average prices of wheat and corn exported in August during the past ten years are shown in the following table:

YEAR.	*Value of wheat and wheat flour.*	*Average price of wheat.*	*Value of corn.*	*Average price of corn.*
		Cents.		Cents.
1888	$10,781,787	91.0	$1,564,895	50.5
1889	11,043,021	85.8	2,235,544	44.8
1890	9,256,853	93.0	1,453,314	50.9
1891	28,111,318	105.8	864,143	67.6
1892	17,632,895	84.0	1,806,626	59.3
1893	18,475,939	69.9	3,413,774	47.6
1894	10,329,481	58.6	431,003	56.8
1895	6,991,461	66.5	2,349,950	48.0
1896	9,172,288	62.7	3,520,340	32.3
1897	17,375,815	92.1	4,943,142	33.5

Wheat is still 13.7 cents a bushel less than its average price in August, 1891, and nearly a cent a bushel less than in 1890. The shortage in the world's wheat supply began to make its influence felt in the winter of 1890-91, and by May, 1891, the average export price of wheat was up to $1.06 a bushel; from that time until

March, 1892, the average remaining above $1 a bushel In April of that year, however, it dropped to 98.4 cents, and in July to 88 cents. Then set in the era of low prices for wheat and not until last year was there any substantial recovery. At the same time the price of corn declined and it is still lowering near the lowest recorded figures.

The average monthly export prices of wheat and corn for the past four years as shown in the following table gives an accurate summary of the condition of our grain trade:

MONTH.	*Wheat.*				*Corn.*			
	1893-4.	*1894-5.*	*1895-6.*	*1896-7.*	*1893-4.*	*1894-5.*	*1895-6.*	*1896-7.*
August	$0.699	$0.586	$0.665	$0.627	$0.476	$0.568	$0.480	$0.323
September	.702	.573	.638	.633	.476	.603	.425	.294
October	.684	.517	.610	.709	.475	.563	.395	.312
November	.653	.519	.611	.806	.477	.557	.374	.323
December	.650	.547	.620	.866	.482	.523	.366	.315
January	.646	.564	.652	.875	.44[illegible]	.499	.351	.300
February	.629	.547	.698	.861	.455	.497	.354	.294
March	.622	.559	.711	.812	.448	.503	.357	.298
April	.618	.597	.707	.794	.449	.512	.353	.294
May	.623	.648	.694	.813	.450	.566	.367	.309
June	.633	.675	.678	.799	.467	.580	.368	.302
July	.607	.639	.631	.787	.49[illegible]	.520	.347	.308

THE STOCK MARKET.—For nearly five months the stock market has shown a disposition to play the role of "advance agent of prosperity," and to point the way to good times. That the public is buying stocks has been evident for some time past, and operators who have thought it wise to check the upward rush in order to keep the ship of speculation on an even keel have found that they were powerless to put their conservative ideas into practice. But about the middle of last month the inevitable set-back came along and there was a general decline all along the line, which continued until the close of the month.

There never was a bull market of any extended duration which did not experience such reactions as the one that occurred last month. As a rule they have good results and tend first to steady the market, then to stimulate the upward movement. The most extraordinary bull market witnessed in the recent history of the New York Stock Exchange was that which covered the period from 1879 to 1881. In about two and one-half years the market advanced an average of nearly 60 per cent, yet there were frequent slumps and often periods of several months when it seemed impossible to force prices any higher, and then the market would go up again by leaps and bounds. From a record of daily average closing prices of twenty leading stocks which we kept during that period we are enabled to show some of the extreme movements that then occurred:

December	9, 1878	to February	18, 1879,	advanced	from 45⅝	to	54⅝	or 9	per cent.
February	18, 1879	to March	24, 1879,	declined	from 54⅝	to	49⅞	or 4½	"
March	24, 1879	to November	15, 1879,	advanced	from 49⅞	to	79⅛	or 29¼	"
November	15, 1879	to December	20, 1879,	declined	from 79⅛	to	71⅛	or 8	"
December	20, 1879	to March	31, 1880,	advanced	from 71⅛	to	81⅛	or 10	"
March	31, 1880	to June	1, 1880,	declined	from 81⅛	to	67⅜	or 13¾	"
June	1, 1880	to February	17, 1881,	advanced	from 67⅜	to	97⅜	or 30	"
February	17, 1881	to February	25, 1881,	declined	from 97⅜	to	87⅜	or 10	"
February	25, 1881	to May	25, 1881,	advanced	from 87⅜	to	101¾	or 14⅜	"

In December, 1879, when the market had from 20 to 30 per cent. yet to go before reaching the final turning point, there were many who believed that the end of the bull movement had come. Again in June, 1880, when prices were nearly 35 per cent. below the high point reached less than a year afterward, there were pessimists in Wall Street who backed their opinions by selling stocks. It is not the purpose of this review to make predictions as to the future, but to call attention to the experience of the past as showing that reactions in a bull market do not necessarily mean the termination of the upward movement.

The stock market began to advance in the summer of 1896 and made a net advance of more than 10 per cent. up to the eve of the Presidential election. Subsequent to that the market became weak and tended downward until about the end of April. From the beginning of May until the middle of September the market has advanced quite continuously and sometimes very rapidly, in that time making a net gain of about 16¾ per cent. The reaction since September 17 has lowered the average 4⅜ per cent.

In the following table we present a list of 25 stocks, with the closing prices of each and the average for all on August 10, 1896, when prices were about the lowest for the year; on November 2, 1896, the day before the Presidential election; on April 30, 1897, when the subsequent decline ended; on September 17, 1897, when the first important reaction began, and at the close of the month:

	Aug. 10, 1896.	*Nov. 2, 1896.*	*April 30, 1897.*	*Sept. 17, 1897.*	*Sept. 30, 1897.*
Atchison	9½	15¼	10¼	16½	14¾
Canada Southern	42	47½	46½	61¼	56¼
Central New Jersey	90	105	77½	100¾	95½
Chicago, Burlington and Quincy	55⅛	77¾	72½	101¼	96⅝
St. Paul	62½	76	72¼	101½	95½
Northwestern	88½	102¾	103½	131½	123½
Omaha	32¼	42½	58⅛	87¾	79⅝
Rock Island	50¾	67½	62¼	95¼	90
Delaware and Hudson	115	125	104⅜	121½	116⅝
Lackawanna	139	156	148¼	162½	158
Erie	11⅛	15⅛	12	18⅝	16½
Lake Shore	138	149¼	161	179	172
Louisville and Nashville	40½	48½	43½	61¾	57¾
Missouri, Kansas and Texas, preferred	9¼	26¾	27⅛	41⅛	37¼
Missouri Pacific	15½	23¼	14¾	38⅞	32⅛
New York Central	89⅛	95	98⅞	115	108⅛
Ontario and Western	11½	14¾	13⅝	19⅞	17⅞
Northern Pacific	3¾	14¾	11⅝	21¾	20⅛
Pacific Mail	17	24	27	38	34¾
Reading	9	28½	18	28⅝	25¾
Southern	7	10	7½	12⅛	10⅞
Texas and Pacific	5⅝	8¾	8¼	14⅛	12⅜
Union Pacific	5⅛	10½	5½	24½	22⅝
Wabash, preferred	12¾	16½	12¾	23⅝	20⅝
Western Union	75	85	77½	96⅜	89
Average	45⅜	55½	51¾	68½	64⅛

On April 17 the average price of the 25 stocks named above was 23⅛ per cent. higher than on August 10, 1896, 13 per cent. higher than on November 2, 1896, and 16¾ per cent. higher than on April 30 last. The decline of 4⅜ per cent. in the last half of the month therefore is only a fractional part of the previous advances.

THE MONEY MARKET.—There has been an increased demand for money, due in part to the greater activity in speculation and the need of money in the interior to move crops and provide for the expansion of general business now developing in various parts of the country. Money on call has loaned as high as 4½ per cent. but 3 per cent. is about the usual rate. Time money commands higher figures while collateral is scrutinized carefully. Commercial paper is in limited supply but this month will probably witness an improvement in that particular. At the close of the month call money ruled at 3 to 3½ per cent. the average rate being about 3 per per cent. Bank and trust companies quote 3 per cent. as the minimum on Stock Exchange collateral. Time money on Stock Exchange collateral was quoted at 3 per cent. for 60 days, 3½ per cent. for 90 days, 4 per cent. for four months, and 4½

@ 5 per cent. for five to six months. For commercial paper the rates are 4¼ @ 4½ per cent., for 60 to 90 days endorsed bills receivable, 4½ @ 5 per cent. for first-class four to six months single names, and 5 @ 6 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	May 1.	June 1.	July 1.	Aug. 1.	Sept. 1.	Oct. 1.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Call loans, bankers' balances	1¼– 1¾	1¼ –1½	1 –2	1 –2	1 –1½	3 –3½
Call loans, banks and trust companies	1¼– 2	1¼–1½	1 –2	1 –2	1½–	3½–
Brokers' loans on collateral, 30 to 60 days	2 –	2 –	2 –	1½–	2½–	3 –
Brokers' loans on collateral, 90 days to 4 months	2½–	2½–	2 –2½	2 –2½	3 –	3½–4
Brokers' loans on collateral, 5 to 7 months	3 –	3 –	2½–3	3 –	3½–	4½–5
Commercial paper, endorsed bills receivable, 60 to 90 days	3½–	3½–	3 –3¼	3½–	3¾–4	4¼–4½
Commercial paper prime single names, 4 to 6 months	3¾– 4½	3¾ -4½	3¼–4	3¾–4	4 –4½	4½–5
Commercial paper, good single names, 4 to 6 months	4½– 5½	4½–5	4 –4½	4½–5	4¾–5	5 –6

EUROPEAN BANKS.—The principal European banks all lost gold last month with the exception of the Bank of Austro-Hungary which gained about $400,000. The Bank of England lost nearly $10,000,000. It is understood that it has now paid all the Japan indemnity deposit except about $5,000,000. The Bank of France lost $8,000,000 of gold and the Bank of Germany $7,000,000.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		September 1, 1897.		October 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,158,899	....	£36,224,839	....	£34,366,741	....
France	76,584,590	£49,130,797	81,405,712	£49,001,244	79,728,800	£48,515,332
Germany	28,505,450	14,252,750	29,373,000	15,131,000	28,175,000	14,514,000
Austro-Hungary	30,340,000	12,578,000	37,955,000	12,581,000	38,027,000	12,512,000
Spain	8,528,000	10,210,000	9,028,000	10,890,000	9,028,000	10,600,000
Netherlands	2,634,000	6,841,000	2,632,000	6,900,000	2,630,000	6,830,000
Nat. Belgium	2,736,667	1,368,333	2,830,667	1,415,333	2,806,000	1,403,000
Totals	£183,487,606	£94,380,880	£199,449,218	£95,918,577	£194,756,541	£94,374,332

FOREIGN EXCHANGE.—The sterling market is beginning to feel the effect of bills drawn against cotton and grain shipments and to some extent has been influenced by foreign purchases of American securities. While there is some conflict of opinion as to how soon exchange will be low enough to cause gold imports, there is practical unanimity on the point that it is only a question of time when sterling will drop to the gold importing point.

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling.		Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
	60 days.	Sight.			
Sept. 4	4.84 @ 4.84¼	4.86 @ 4.86¼	4.86½ @ 4.86¾	4.83½ @ 4.83¾	4.83 @ 4.83¼
" 11	4.83½ @ 4.83¾	4.85¾ @ 4.86	4.86 @ 4.86¼	4.83 @ 4.83¼	4.82½ @ 4.83
" 18	4.82¾ @ 4.83	4.85 @ 4.85¼	4.85½ @ 4.85¾	4.82¼ @ 4.82½	4.81¾ @ 4.82
" 25	4.82¾ @ 4.83	4.85 @ 4.85¼	4.85½ @ 4.85¾	4.82¼ @ 4.82½	4.81¾ @ 4.82
Oct. 2	4.82½ @ 4.82¾	4.84½ @ 4.84¾	4.85 @ 4.85¼	4.82 @ 4.82¼	4.81½ @ 4.81¾

Foreign Exchange—Actual Rates on or about the First of Each Month.

	June 1.	July 1.	Aug. 1.	Sept. 1.	Oct. 1.
Sterling Bankers—60 days	4.86 – ¼	4.85¾ – 6	4.86¼ – ½	4.83½ – ¾	4.82½ – ¾
" " Sight	4.87 – ¼	4.87 – ¾	4.87¼ – ½	4.85½ – ¾	4.84¾ – 5
" " Cables	4.87¼ – ½	4.87¼ – ½	4.87½ – ¾	4.85¾ – 6	4.85 – ¼
" Commercial long	4.85 – ¼	4.85¼ – ½	4.85¾ – 6	4.83 – ¼	4.82 – ¼
" Docu'tary for paym't.	4.84¾ – 5¼	4.84¾ – 5	4.85¼ – ½	4.82½ – ¾	4.81½ – ¾
Paris—Cable transfers	5.15 – 4⅜	5.15 – 4⅜	5.15¼ – 4⅜	5.18⅛ – 7½	5.18¾ –
" Bankers' 60 days	5.16⅞ –	5.16⅞ –	5.16⅞ –	5.20 1/16 – 20	5.21¼ –
" Bankers' sight	5.15 1/16 – 5	5.15 1/16 – 5	5.15 –	5.18⅛ –	5.19⅜ – 8¾
Antwerp—Commercial 60 days.	5.19⅜ – 8⅞	5.19⅜ – 8¾	5.18¾ – ⅛	5.22½ – 1⅞	5.23⅛ –
Swiss—Bankers' sight	5.17½ – 6⅞	5.17½ –	5.16¼ –	5.18¾ – ⅛	5.20 – 19⅜
Berlin—Bankers' 60 days	95 3/16 – ¼	95¼ – 5/16	95 5/16 – ⅜	94 13/16 – ⅞	94½ – 9/16
" Bankers' sight	95 9/16 – ⅝	95 11/16 – ¾	95¾ –	95¼ – 5/16	95⅛ – 3/16
Brussels—Bankers' sight	5.15⅝ –	5.15⅝ –	5.15⅝ – 1/16	5.18¾ – ⅛	5.20 – 19⅜
Amsterdam—Bankers' sight	40 1/16 – ⅜	40 1/16 – ⅜	40⅝ – 7/16	40⅛ – 3/16	40⅛ – 3/16
Kronors—Bankers' sight	26 15/16 – 27	27 – 1/16	27 – 1/16	26⅞ – 15/16	26⅞ – 15/16
Italian lire—sight	5.40⅝ – 37½	5.38⅛ – 5½	5.40¼ – 37¼	5.44⅝ – 2⅞	5.46¼ – 8¼

Bank of England Statement and London Markets.

	June 16, 1897.	July 14, 1897.	Aug. 11, 1897.	Sept. 15, 1897.
Circulation (exc. b'k post bills)	£27,287,840	£28,046,305	£28,008,420	£27,357.105
Public deposits	11,260,076	7,138,815	7,004,421	7,620,581
Other deposits	38,966,166	43,795,055	40,514,160	40,119,267
Government securities	13,948,356	13,786,887	13,783,480	13,429,726
Other securities	28,230,650	29,714,229	27,403,906	27,967,609
Reserve of notes and coin	25,833,011	25,484,820	24,411,110	24,754,644
Coin and bullion	36,320,851	36,731,125	35,619,530	35,311,749
Reserve to liabilities	51 5/16%	49⅞%	51¼%	51¾%
Bank rate of discount	2%	2%	2%	2%
Market rate, 3 months' bills	15/16%	1 1/16%	1⅛%	2%
Price of Consols (2¾ per cents.)	112 13/16	112 13/16	112⅛	111⅝
Price of silver per ounce	27 9/16d.	27 9/16d.	25¼d.	25⅞
Average price of wheat	27s. 4d.	27s. 4d.	29s. 5d.	33s. 1d.

Money Rates Abroad.—The Bank of Berlin advanced its rate of discount from 3 to 4 per cent. on September 6, and the Bank of England advanced its rate from 2 to 2½ per cent., the lower rate having been in force since May 6. Discounts of 60 and 90 day bills in London at the close of the month were 2 per cent. against 1⅞ @ 2 per cent. a month ago. The open market rate at Paris was 1⅞ per cent.; at Berlin and Frankfort, 3¾ per cent., an advance of 1 per cent.

Money Rates in Foreign Markets.

	Apr. 16.	May. 14.	June 18.	July 16.	Aug. 13.	Sept. 17.
London—Bank rate of discount	2½	2	2	2	2	2
Market rates of discount:						
60 days bankers' drafts	1¼	⅞	⅞	⅞	1½	2
6 months bankers' drafts	1¼ – 5/16	1⅛ – ¼	1 3/16 – ¼	1¼	2¼	2½
Loans—Day to day	¾	½	½	½	½	1
Paris, open market rates	1¾	1¾	1¾	1¾	1¾	1⅞
Berlin, "	2⅝	2¼	2¾	2⅝	2¾	3½
Hamburg, "	2½	2¼	2¾	2⅝	2⅞	3½
Frankfort, "	2½	2⅜	2⅞	2½	2⅝	3½
Amsterdam, "	2½	2½	1⅞	2⅝	2¼	2½
Vienna, "	3¾	3½	3½	3¼	3 7/16	4
St. Petersburg, "	5¾	5¾	5¾	5¾	4½	5
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4	4½	4½	5	4	4½

Silver.—The price of silver in London touched its lowest recorded figure 23¾d again on September 1 and 2, but then began to advance rapidly until on September 20 and 21 it was quoted at 27¼d. The talk of the Bank of England doing something for silver aided the recovery. Late in the month it became weak again, declining to 25d on September 29 and closing at 25½d on the last day of the month, a net advance from the price of a month ago of 1½d.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	1895.		1896.		1897.		MONTH.	1895.		1896.		1897.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 1/16	27 3/16	30 1/8	30 7/8	29 11/16	29 11/16	July......	30 5/8	30 1/4	31 5/8	31 3/8	27 11/16	26 3/8
February	27 11/16	27 1/4	31 3/16	30 3/4	29 3/4	29 11/16	August ..	30 3/16	30 1/4	31 5/8	30 5/8	26 1/2	23 3/4
March....	30 1/4	27 5/8	31 11/16	31 1/8	29 5/8	28 3/16	Septemb'r	30 3/16	30 1/16	30 11/16	30	27 1/4	23 3/4
April.....	30 7/8	29 7/8	31 3/16	30 11/16	28 1/8	28 3/16	October..	31 5/8	30 5/8	30 3/16	29 3/4		
May......	30 7/8	30 3/16	31 3/16	30 11/16	28 3/16	27 5/8	Novemb'r	31	30 5/8	30 3/16	29 3/4		
June.....	30 11/16	30 1/8	31 9/16	31 9/16	27 3/4	27 1/8	Decemb'r	30 11/16	30	30	29 11/16		

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars	**$ .60**	......	Twenty marks	$4.75	$4.79
Mexican dollars	**.42¼**	**$ .44**	Spanish doubloons	15.50	15.70
Peruvian soles, Chilian pesos	**.38**	**.40**	Spanish 25 pesos	4.78	4.82
English silver	**4.83**	**4.86**	Mexican doubloons	15.50	15.70
Victoria sovereigns	**4.87**	**4.89**	Mexican 20 pesos	19.50	19.60
Five francs	**.93**	**.96**	Ten guilders	3.95	3.99
Twenty francs	**3.85**	**3.88**			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 25½d. per ounce. New York market for large commercial silver bars, 55 @ 56c. Fine silver (Government assay), 55½ @ 56½c.

GOLD AND SILVER COINAGE.—There were coined at the United States mint last month $8,762,375 gold, $1,050,092 silver, of which $100,050 were in dollars, and $231,982 minor coin, a total of $10,044,449.

COINAGE OF THE UNITED STATES.

	1896.		1897.	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January	$12,914,600	$65,000	$7,803,420	$1,964,800
February	1,240,000	1,500,000	10,152,000	1,519,794
March	1,540,555	1,683,531	13,770,900	1,617,654
April	1,500,000	1,831,000	8,800,400	1,535,000
May	2,857,200	1,826,490	4,489,950	1,600,000
June	2,471,217	1,950,693	2,100,547	1,856,754
July	2,918,200	1,092,000	377,000	260,000
August	3,315,000	2,686,000	8,756,250	701,436
September	3,140,923	2,754,185	8,762,375	1,050,092
October	5,727,500	2,844,010		
November	5,064,700	2,305,022		
December	4,363,165	2,551,968		
Year	$47,052,561	$23,089,899	$65,012,842	$12,105,530

NEW YORK CITY BANK.—The local banks experienced a considerable drain of currency during the latter part of the month, and the deposits after reaching the largest total ever recorded, over $642,000,000 on September 11, fell to about $619,000,000 in the following three weeks. Loans were increased over $18,000,000 in the first half of the month but were reduced $7,000,000 in the last two weeks. There has

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Sept. 4...	$569,291,200	$92,423,400	$102,130,600	$641,759,400	$34,114,150	$13,954,700	$733,603,100
" 11...	576,643,800	92,153,700	95,052,600	642,149,900	26,668,825	14,241,000	692,611,000
" 18...	579,318,700	91,804,200	87,080,600	635,958,500	19,895,175	14,862,200	887,640,400
" 25...	576,585,400	91,870,600	80,465,900	625,356,000	15,997,500	15,469,400	844,883,400
Oct. 2...	571,998,400	92,365,100	78,023,600	619,353,200	15,550,400	15,790,400	811,825,000

been little change in the specie reserves but legal tenders were reduced $17,600,000 during the month and the surplus reserve $24,000,000. The latter is now only $15,550,000, or $1,000,000 less than a year ago. An increase of nearly $2,400,000 in circulation is one of the significant features of the bank statements for the month.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

Month.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,286,950
February	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March	528,440,800	28,054,500	489,612,200	24,442,150	578,769,300	57,520,975
April	504,240,200	18,413,450	481,795,700	17,005,975	569,226,500	47,666,575
May	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July	570,436,300	34,225,925	499,046,900	20,328,275	604,983,700	41,384,875
August	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September	574,929,900	39,149,925	451,934,800	8,836,200	636,996,000	39,517,700
October	549,136,500	22,296,175	454,733,100	16,526,025	619,353,200	15,550,400
November	529,862,400	17,594,400	446,445,900	17,463,225		
December	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $642,149,900 on September 11, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following tables:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Sept. 4	$182,115,000	$177,796,000	$10,602,000	$7,896,000	$7,729,000	$93,143,600
" 11	182,192,000	181,490,000	10,423,000	7,656,000	7,510,000	94,832,200
" 18	182,236,000	189,748,000	10,751,000	7,855,000	7,512,000	112,068,600
" 25	182,955,000	179,718,000	10,988,000	8,397,000	7,498,000	105,681,000
Oct. 2	182,847,000	179,316,000	10,809,000	8,273,000	7,597,000	115,641,305

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Sept. 4	$116,694,000	$123,763,000	$37,880,000	$6,846,000	$69,598,300
" 11	117,264,000	126,475,000	38,465,000	6,885,000	56,156,700
" 18	117,558,000	127,498,000	39,578,000	6,878,000	72,680,000
" 25	117,258,000	126,097,000	38,166,000	6,946,000	66,768,000
Oct. 2	117,482,000	125,477,000	37,273,000	6,920,000	66,172,000

GOVERNMENT REVENUES AND DISBURSEMENTS.—There was an increase of about $1,000,000 in customs receipts and of $2,000,000 in total revenues in September as compared with August, but a decrease of more than $3,000,000 in the total as compared with September, 1896. The expenditures were nearly $9,000,000 less than in

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.			EXPENDITURES.		
Source.	*September, 1897.*	*Since July 1, 1897.*	*Source.*	*September, 1897.*	*Since July 1, 1897.*
Customs	$7,943,100	$31,897,605	Civil and mis	$5,787,876	$27,862,185
Internal revenue	12,701,976	43,663,002	War	4,250,240	20,609,851
Miscellaneous	674,568	3,867,756	Navy	2,613,261	8,284,763
			Indians	721,559	2,467,398
			Pensions	10,992,078	89,742,838
Total	$21,319,644	$79,428,363	Interest	387,847	9,974,343
Excess of expenditures	$3,432,717	$29,012,954	Total	$24,752,861	$108,441,318

August, nearly $2,000,000 in civil and miscellaneous, $1,000,000 in war, $3,000,000 in pensions, and $2,500,000 in interest. The deficit for the month was $3,432,717. October revenues ought to be larger than September, but interest payments will be nearly $5,000,000 larger so that a deficit this month may be expected.

United States Treasury Cash Resources.

	June 30.	*July 30.*	*Aug. 31.*	*Sept. 30.*
Net gold	$140,754,114	$143,926,401	$144,206,276	$147,621,963
Net silver	31,102,856	33,538,187	23,759,676	14,156,727
U.S. notes	35,761,622	29,175,995	28,169,836	41,403,141
Miscellaneous assets (less current liabilities)	12,503,172	14,879,403	8,158,150	*4,986,131
Deposits in National banks	17,330,985	16,991,618	17,116,471	17,392,278
Available cash balance	$237,452,199	$238,511,604	$221,410,411	$215,587,978

* Excess of liabilities.

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896.			1897.		
	Receipts.	*Expenditures.*	*Net Gold in Treasury.*	*Receipts.*	*Expenditures.*	*Net Gold in Treasury.*
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	36,584,708	22,934,694	140,790,738
July	29,029,209	42,088,468	110,718,746	39,027,364	50,100,909	140,817,699
August	25,562,097	35,701,676	100,957,561	19,023,615	33,588,047	144,216,965
September	24,584,244	26,579,535	124,034,672	21,319,644	24,752,361	*147,621,963
October	26,282,829	33,978,277	117,126,523			
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

National Bank Circulation.—There was an increase in National bank notes outstanding last month of $216,967 but the amount secured by Government bonds was reduced $151,195, while the lawful money deposited to retire circulation was increased $368,162.

National Bank Circulation.

	June 30, 1897.	*July 31, 1897.*	*Aug. 31, 1897.*	*Sept. 30, 1897.*
Total amount outstanding	$231,356,126	$230,758,936	$230,508,524	$230,725,491
Circulation based on U.S. bonds	206,695,226	206,498,956	205,755,976	205,604,781
Circulation secured by lawful money	24,665,788	24,259,980	24,752,548	25,120,710
U.S. bonds to secure circulation:				
Four per cents. of 1895	32,833,550	32,781,050	31,933,150	31,568,150
Pacific RR. bonds, 6 per cent	8,837,000	8,787,000	8,955,000	9,556,000
Funded loan of 1891, 2 per cent	22,168,900	22,271,150	15,846,650	22,159,150
" " 1907, 4 per cent	150,903,750	150,543,750	150,490,650	150,194,600
Five per cents. of 1894	15,728,350	15,728,350	22,245,650	15,870,650
Total	$230,471,550	$230,111,300	$229,471,100	$229,348,550

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,530,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,285,500; 4 per cents of 1907, $12,220,000; 5 per cents. of 1894, $635,000, a total of $17,045,500.

The circulation of National gold banks, not included in the above statement, is $85,070.

Money in the United States.—The net cash in the United States Treasury was reduced nearly $3,500,000, the cash actually in the Treasury declining only about $600,000 but nearly $3,000,000 of certificates and Treasury notes were issued. The net gold in the Treasury was increased nearly $3,500,000.

Money in the United States Treasury.

	Jan. 1, 1897.	*Aug. 1, 1897.*	*Sept. 1, 1897.*	*Oct. 1, 1897.*
Gold coin	$120,638,596	$149,114,826	$150,008,810	$154,338,870
Gold bullion	54,565,385	28,929,752	31,230,355	30,223,294
Silver Dollars	384,584,572	400,838,020	398,908,078	394,948,022
Silver bullion	110,815,247	105,109,460	105,125,123	105,078,550
Subsidiary silver	14,215,766	16,286,660	15,335,285	13,455,175
United States notes	85,313,258	94,291,064	92,248,702	94,885,472
National bank notes	14,278,970	5,688,791	4,517,847	3,814,835
Total	$784,411,796	$799,758,573	$797,369,200	$796,743,718
Certificates and Treasury notes, 1890, outstanding	529,044,460	539,064,416	551,301,438	554,159,921
Net cash in Treasury	$255,367,336	$260,694,157	$246,067,762	$242,583,797

Money in Circulation.—There was an increase in the amount of money in circulation last month of $13,160,440, making a total increase of $32,000,000 in the past two months. More than $6,000,000 of gold went into circulation, $4,000,000 silver dollars, $2,000,000 subsidiary silver, $7,000,000 silver certificates, and nearly $7,000,-000 Treasury notes. There was a decrease of $13,000,000 in United States notes and currency certificates.

Money in Circulation in the United States.

	Jan. 1, 1897	*Aug. 1, 1897.*	*Sept. 1, 1897.*	*Oct. 1, 1897.*
Gold coin	$517,743,239	$519,074,302	$521,848,563	$528,098,753
Silver dollars	58,581,819	51,655,722	53,085,664	57,145,770
Subsidiary silver	62,101,986	59,131,282	58,936,292	61,176,415
Gold certificates	37,887,439	37,226,879	37,017,789	36,898,559
Silver certificates	356,655,800	357,938,650	367,863,337	374,620,299
Treasury notes, Act July 14, 1890	84,171,221	81,563,887	83,145,312	89,816,068
United States notes	261,367,758	252,389,952	254,432,314	251,795,544
Currency certificates, Act June 8, 1872	50,330,000	62,335,000	63,275,000	52,825,000
National bank notes	221,384,148	225,155,465	226,075,827	226,464,135
Total	$1,650,223,400	$1,646,471,139	1,665,680,098	$1,678,840,538
Population of United States	72,159,000	73,068,000	73,199,000	73,330,000
Circulation per capita	$22.87	$22.53	$22.76	$22.89

The Supply of Money in the Country.—The total stock of money in the country increased nearly $10,000,000 during the month, the gain being almost entirely in gold. Since August 1 the money supply has increased more than $14,000,000.

Supply of Money in the United States.

	Jan. 1, 1897.	*Aug. 1, 1897.*	*Sept. 1, 1897.*	*Oct. 1, 1897.*
Gold coin	$638,381,827	$668,189,128	$671,852,373	$682,437,123
Gold bullion	54,565,385	28,929,752	31,230,355	30,223,294
Silver dollars	443,166,391	451,998,742	451,993,742	452,0[illegible]8,792
Silver bullion	110,815,247	105,109,460	105,125,123	105,078,550
Subsidiary silver	76,317,752	75,417,942	74,271,577	74,681,590
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	230,844,256	230,593,674	230,278,970
Total	$1,905,590,736	$1,907,165,296	$1,911,747,860	$1,921,424,335

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

United States Public Debt.—The Treasury deficits are reflected in the increases that are taking place in the net public debt, the increase last month being nearly $4,000,000 and since July 1, $25,000,000. The principal of the bonded debt is unchanged. There was an increase of about $400,000 in the National Bank note redemption fund, a decrease of $4,600,000 in Treasury notes and certificates and a decrease of $3,000,000 in the net cash balance, which is now $215,192,787 against $240,000,000 on July 1. (The debt statement will be found on page 657.)

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of September, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		September, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	17 —Sept. 18	9⅛—Apr. 19	17	14⅜	14¾
• preferred	28⅛	14⅛	35½—Sept. 8	17 —Apr. 19	35½	31⅛	31⅝
Atlantic & Pacific	1	⅜	1⅛—Aug. 12	⅛—Apr. 7	....	....	....
Baltimore & Ohio	44	10½	21⅛—Sept. 20	9 —July 10	21⅛	16⅛	16¼
Bay State Gas	33	7	16¾—Aug. 31	7⅛—Sept. 25	15⅝	7⅛	8⅛
Brooklyn Rapid Transit	25⅛	18	37 —Sept. 13	18⅝—Jan. 7	37	31¼	32
Canadian Pacific	62¾	52	77¼—Sept. 29	46½—Mar. 29	77¼	71	77⅛
Canada Southern	51¾	40¾	62⅛—Sept. 16	44⅛—Jan. 13	62⅛	55¼	56¼
Central of New Jersey	110	87½	103¼—Jan. 19	68¼—May 24	101¾	95¼	95⅛
Central Pacific	16⅛	13⅛	18 —Sept. 28	7⅛—Apr. 20	18	13⅞	17
Ches. & Ohio vtg. ctfs	18⅛	11	27⅛—Aug. 30	15⅝—Mar. 29	27	23⅛	23⅛
Chicago & Alton	164	146	170 —Mar. 1	147 —July 22	165	160	164
Chicago, Burl. & Quincy	83¾	53	102¼—Sept. 20	69⅝—Jan. 5	102¼	96⅜	96⅝
Chicago & E. Illinois	43	37⅛	61 —Sept. 8	37¼—June 7	61	48	60
• preferred	100½	90	103 —Sept. 14	95 —Feb. 8	103	100½	103
Chicago Gas	78¼	44⅝	108¾—Sept. 18	73¼—Jan. 5	108¾	98⅛	98¼
Chic., Milwaukee & St. Paul	80	59⅞	102 —Sept. 15	69¼—Apr. 19	102	94⅜	95½
• preferred	131	117½	146 —Sept. 4	130½—May 6	146	141	141⅝
Chicago & Northwestern	106¼	85⅛	132½—Sept. 15	101¾—Apr. 19	132½	120⅛	123½
• preferred	152	140¾	165½—Sept. 22	153 —Jan. 12	165½	165	165½
Chicago, Rock I. & Pacific	74⅞	49¼	97¼—Sept. 20	60¼—Apr. 19	97¼	89⅜	90
Chic., St. Paul, Minn. & Om	49¼	30⅛	89½—Sept. 16	47 —Jan. 2	89½	71¾	79⅝
• preferred	133	117	148 —July 26	133 —Jan. 7	146⅛	144	145½
Clev., Cin., Chic. & St. Louis	39½	19½	41½—Sept. 15	21½—June 1	41½	35⅛	35½
• preferred	90½	73	86½—Sept. 8	63 —June 16	86½	86⅛	86½
Col. Coal & Iron Devel. Co	4⅛	¼	2 —Aug. 13	⅜—July 2	1¼	1	1
Col. Fuel & Iron Co	34¼	14⅝	27⅞—Sept. 14	15¾—May 11	27⅞	23	23⅞
Col. Hocking Val. & Tol	20½	12½	18 —Jan. 8	1½—Apr. 30	7¾	5⅛	6⅞
• preferred	60	48	46 —Jan. 21	14 —Aug. 3	26	16	26
Consolidated Gas Co	168	133	241½—Sept. 16	136½—Jan. 2	241½	192½	205
Delaware & Hud. Canal Co	129⅝	114½	123 —Sept. 18	99⅝—Apr. 1	123	116⅝	116⅝
Delaware, Lack. & Western	166	138	164 —Aug. 12	146½—May 20	162¾	158	158
Denver & Rio Grande	14	10	14¾—Aug. 14	9¼—Apr. 20	14¾	12⅞	12⅞
• preferred	51	37	50½—Aug. 16	36 —Apr. 20	50½	47¼	47¼
Edison Elec. Illum. Co., N. Y.	101½	89	132½—Sept. 17	101¾—Jan. 2	132½	123½	130
Erie	17¾	10¼	19 —Sept. 16	11½—Apr. 19	19	16½	16½
• 1st pref	41¾	27	46⅝—Sept. 16	27 —Apr. 19	46⅝	40⅞	41
• 2d pref	25	13	25⅝—Aug. 12	15½—May 24	25½	21¾	21¾
Evansville & Terre Haute	84½	24	34 —Sept. 20	20 —June 8	34	27	28
Express Adams	154	135	160 —Sept. 16	147¼—Feb. 11	160	157	158¾
• American	116	105	119 —Sept. 23	109½—Jan. 28	119	115½	118½
• United States	48	35	48 —July 23	37 Feb. 3	46	44	46
• Wells, Fargo	101	80	112 —Aug. 13	97 —Jan. 2	111	109	109
Great Northern, preferred	122	108¼	141 —Sept. 4	120 —Jan. 16	141	132¾	139
Illinois Central	98	84⅛	110¾—Aug. 7	91⅛—Apr. 19	110	102⅝	102¾
Iowa Central	10¼	5⅛	13¼—Sept. 4	6 —Apr. 15	13¾	8⅞	8⅞
• preferred	38	19	41¾—Sept. 4	23 —June 8	41¾	34½	35
Laclede Gas	30	17	49¼—Aug. 31	22 —May 4	49¼	39½	43⅝
• preferred	86¼	68¼	96 —Aug. 31	70¼—Mar. 23	96	94	94
Lake Erie & Western	22½	12⅛	22½—Sept. 18	13 —July 15	22½	18	18
• preferred	75	55½	79⅞—Sept. 20	58¼—Apr. 1	79⅞	73¾	75½
Lake Shore	156	134¾	181 —Sept. 16	152 —Jan. 2	181	171	172
Long Island	84	40½	55 —Jan. 8	40 —June 10	43½	42	42
Louisville & Nashville	55⅝	37⅛	63⅞—Sept. 3	40⅛—Apr. 19	63⅞	57⅝	57¾
Louis., N. A. & Chic., Tr. ctfs	10½	¼	½—June 23	¼—Jan. 11	....	....	....
• preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	113 —Sept. 10	81¾—May 7	113	99½	100
Metropolitan Traction	114	79¼	125 —Sept. 3	99⅝—May 3	125	119	119
Michigan Central	97⅞	89	111⅞—Sept. 16	90 —Jan. 28	111⅞	104	104
Minneapolis & St. Louis	21¾	12	31½—Sept. 16	16 —May 14	31½	25	25¼
• 1st pref	83	54	90 —Sept. 16	77¾—Mar. 18	90	85½	85½
• 2d pref	53½	30	62¾—Sept. 16	46 —Feb. 26	62¾	56½	56½
Missouri, Kan. & Tex	14¾	9⅛	16⅞—Sept. 16	10 —Apr. 19	16⅞	14¾	15
• preferred	31⅛	16	42 —Sept. 15	24¾—Apr. 19	42	35½	37¼

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		September, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	40¼—Sept. 7	10 —May 6	40¼	22⅛	32⅛
Mobile & Ohio	25	14	32 —Aug. 19	18 —June 3	32	27	27
N. Y. Cent. & Hudson River	99¾	88	115⅛—Sept. 16	92½—Feb. 18	115⅛	108⅛	108⅛
N. Y. Chicago & St. Louis	15	9	17⅝—Sept. 3	11 —Feb. 11	17⅝	15	15
" 1st preferred	80	67½	81½—Sept. 4	67⅝—Apr. 15	81½	78	78
" 2d preferred	35⅝	20	43½—Sept. 20	24 —Feb. 10	43½	37	37
N. Y., New Haven & Hartf'd	186	160	186 —Sept. 20	160 —Feb. 2	186	180⅛	184
N. Y., Ontario & Western	16⅝	11⅛	20½—Sept. 16	12¾—Apr. 19	20½	17½	17⅞
N. Y., Sus. & Western	12	6	20 —Sept. 16	6½—May 28	20	17¾	19½
" preferred	31¼	12	45 —Sept. 17	18¼—May 20	45	38	38¾
Norfolk & Western	12¾	⅛	17¼—Sept. 10	9 —Apr. 19	17¼	14	15⅝
" preferred	19¾	4⅛	45¾—Sept. 4	17 —Feb. 16	45¾	39	41¾
North American Co	6½	3½	6⅛—Aug. 13	3⅝—Apr. 20	5¾	4⅞	4⅞
Northern Pacific tr. receipts	16⅞	¼	21⅞—Sept. 16	11 —Apr. 19	21⅞	17¾	20⅛
" pref tr. receipts	36	10	57 —Sept. 16	32⅛—Jan. 5	57	49⅞	52⅝
Oregon Railway & Nav	24	10	41 —Sept. 10	10 —Apr. 20	41	33	36
" preferred	40¼	35	73½—Sept. 11	37⅞—Jan. 8	73½	69	70
Oregon Short Line	18⅛	8⅛	23¾—Aug. 16	10⅞—Mar. 30	22⅞	19¾	19¾
Pacific Mail	31	15¼	39¼—Sept. 2	24 —Jan. 9	39¼	33¾	34¾
Peoria, Dec. & Evansville	3⅞	1¼	3⅞—Aug. 17	¼—June 2	2⅜	1¾	1¾
Pitts., Cin. Chic. & St. Louis	18¼	11	27⅞—Sept. 18	11½—Mar. 29	27⅞	21¼	25¾
" preferred	59	40⅛	69 —Sept. 28	44½—June 25	69	59½	67
Pullman Palace Car Co	164	138	185 —Sept. 16	152 —Jan. 2	185	175½	176½
Reading Voting Tr. ctfs	....	....	29¼—Sept. 18	16¼—Apr. 19	29¼	25½	25¾
" 1st prefered	....	....	57¾—Sept. 20	38½—Apr. 19	57¾	52¾	52¾
" 2d preferred	....	....	35⅞—Sept. 20	22½—Apr. 19	35⅞	31⅛	32½
Rome, Wat. Ogdens' g	118	108	121½—Sept. 28	117 —Jan. 26	121½	119	121½
St. Louis & San Francisco	5⅝	4	9 —Aug. 12	4 —Apr. 19	8⅝	7	7
" 1st preferred	37	34¼	57¼—Aug. 12	37 —Jan. 29	56¼	51	52
" 2d preferred	14⅛	12	22¾—Aug. 12	12 —Apr. 15	21¾	20	20⅝
St. Louis & Southwestern	5¾	2⅞	7 —Aug. 16	1 —Apr. 1	6⅞	5⅛	5⅛
" preferred	18	6½	14⅝—Sept. 8	3½—Apr. 1	14⅝	10⅞	10⅞
St. Paul & Duluth	27½	15	30 —Sept. 10	20 —Jan. 4	30	25	27
" preferred	91	75	87¼—Sept. 20	75 —Apr. 20	87¼	87	87
St. Paul, Minn. & Manitoba	115	105	125 —Aug. 6	114 —Jan. 28	124¾	121	122¼
Southern Pacific Co	22¼	14	23⅛—Sept. 8	13⅛—Jan. 13	23⅛	19¾	19¾
Southern Railway	11¾	6½	12¼—Sept. 10	7 —Apr. 19	12¼	10¾	10⅞
" preferred	33¼	15½	38⅝—Sept. 10	22⅞—Mar. 19	38⅝	32½	32⅝
Tennessee Coal & Iron Co	34¾	13	35⅛—Sept. 9	17 —May 20	35⅛	28⅞	28⅞
Texas & Pacific	12	5	15 —Aug. 30	8 —Apr. 1	14⅞	11⅞	12⅝
Union Pacific trust receipts	12½	8⅞	24⅞—Sept. 23	4⅛—Apr. 19	24⅞	16¾	22⅝
Union Pac., Denver & Gulf	5½	1⅛	11⅝—Sept. 23	1 —Apr. 24	11⅝	5½	9⅛
Wabash R. R	8	4½	9¾—Sept. 23	4⅝—Mar. 29	9¾	7¾	8
" preferred	19¾	11	24⅝—Sept. 20	11½—Apr. 19	24⅝	20⅛	20⅝
Western Union	90¼	72¾	96¼—Sept. 11	77¼—Apr. 30	96¼	89	89
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	½—June 1	4	2	2⅝
" preferred	40¾	20⅝	29 —Jan. 5	2⅝—Apr. 15	19¼	11½	14
Wisconsin Central	4⅜	1⅜	4⅝—Aug. 12	1 —June 3	3¾	2¾	2¾
"Industrial"	Stocks:						
American Co. Oil Co	19	8	26⅞—Sept. 2	9¼—May 28	26⅞	20⅛	21½
" preferred	68⅞	37	80½—Sept. 1	52¼—Feb. 16	80½	74	75½
American Spirits Mfg Co	14⅞	4½	15⅞—Aug. 6	9¼—Apr. 23	15	12	12½
" preferred	33¼	14¾	36 —Aug. 5	26 —Jan. 5	34⅞	30	31
American Sugar Ref. Co	126⅝	95	159½—Sept. 8	109⅛—Mar. 29	159½	142¾	144⅝
" preferred	104	92¼	121½—Sept. 14	100¼—Jan. 7	121½	114½	115½
American Tobacco Co	95	51	96⅞—Aug. 9	67½—Feb. 15	96½	87	88
" preferred	106	95	115 —Aug. 6	100 —Feb. 11	114¼	112½	112½
General Electric Co	39½	20	41⅝—Sept. 15	28⅝—May 19	41⅝	35⅝	35⅝
National Lead Co	28⅝	16	44 —Sept. 10	21⅞—Feb. 16	44	36⅛	36⅞
" preferred	92¾	75	109¾—Sept. 10	88⅝—Feb. 13	109¾	103¼	108½
National Linseed Oil Co	21¼	11½	23½—Aug. 13	10 —May 17	21¾	16½	17
National Starch Manfg. Co	7¾	4¾	13 —Aug. 31	8 —May 5	13	9	9
Standard Rope & Twine Co	12½	8⅛	11¾—Jan. 19	3½—June 29	8	5	6¼
U. S. Leather Co	11⅞	5½	10¼—Aug. 23	6¼—May 22	10¼	8⅛	8⅛
" preferred	69⅛	41½	72 —Sept. 1	50⅛—Apr. 29	72	64	64
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 3	20¼	17	17¼
" preferred	89	65	76⅞—Jan. 5	50 —July 20	70⅝	65½	65½

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE.		SEPTEMBER SALES.		
				Price.	*Date.*	*High.*	*Low.*	*Total.*
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,'95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	83½	Sept.29,'97	84	83	196,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	109,945,000	A & O	88¾	Sept.30,'97	90	87¾	5,460,000
″ adjustment, g. 4's	1995	51,728,000	NOV	58¼	Sept.30,'97	61	57⅝	9,838,000
″ Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	....	....	....	....	....
″ Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's,	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	96½	Sept.23,'97	96½	96½	10,000
Atlan. & Pac. Western div. inc.	1910	10,454,000	A & O	⅝	Sept.17,'97	⅝	⅝	10,000
″ div. small	1910		A & O	10	Mar. 17,'93	....	....	....
″ Central div. inc	1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	110	Sept.30,'97	110	108	31,000
″ 5's, gold	1885–1925	3,021,000		80½	Sept.30,'97	80½	78	8,000
″ coupons off			F & A	....	....	....	....	....
″ registered			F & A	83	July 30,'97	....	....	....
″ eng. ctfs of deposit		6,979,000	......	82	Sept.17,'97	82	82	10,000
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	90	May 27,'97	....	....	....
″ registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	102	May 29,'96	....	....	....
″ 1st c. g. 4½'s,	1993	10,511,000	J & J	60	June 9,'97	....	....	....
″ 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug.18,'94	....	....	....
″ "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	97½	June 22,'97	....	....	....
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
″ coupons off		....	......	....	....	....	....	....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	104½	Aug.10,'97	....	....	....
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	119⅞	Sept.20,'97	120	119	12,000
″ registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	115	Sept.13,'97	115	115	1,000
Brooklyn Elevated 1st g. 6s's,	1924	465,000	A & O	85½	Sept.17,'97	85½	85½	16,000
″ eng. Trust Co. ctfs		3,035,000	......	84	Sept.27,'97	86¼	80	411,000
″ 2d g. 5's	1915	123,000	J & J	43	June 19,'97	....	....	....
″ eng. Tr. Co. ctfs		1,126,000	......	....	....	....	....	....
Seaside & Bkln Bdge 1st g. g. 5's.	1942	120,000	J & J	80	Mar. 31,'96	....	....	....
″ eng. Tr. Co. ctfs		1,245,000	......	76	Sept.14,'97	76	74	30,000
Union Elevated 1st gtd. g. 6's	1937	936,000	M & N	83½	Sept.13,'97	84¾	80	29,000
″ eng. Tr. Co. ctfs		5,212,000	......	85	Sept.20,'97	85½	79⅛	470,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	92¾	Sept.30,'97	96¼	88¼	1,154,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	100	Sept.21,'97	100	99½	14,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	124	Sept.30,'97	124	122¾	11,000
″ cons. 1st 6's,	1922	3,920,000	J & D	123	Sept 30,'97	123	123	3,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
″ registered			A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	108	Sept.30,'97	109¼	108	19,500
″ con. 1st & col. tst 5's	1934	6,425,000	A & O	105¾	July 26,'97	....	....	....
″ registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's. g,	1927	150,000	J & D	140	Aug.24,'95	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 6's,	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
″ 1st 5's	1921	1,905,000	A & O	102½	Sept.20,'97	102½	102½	14,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowe t price and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Comp any first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale Price.	Last Sale Date.	September Sales. High.	Low.	Total.
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	110	Sept.30,'97	110¼	109⅝	75,000
" 2d mortg. 5's	1913	5,100,000	M & S	105½	Sept.27,'97	106¾	105	25,000
" registered			M & S	106½	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug.31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	92¼	Aug.16,'97	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	115¼	Sept.22,'97	115¼	114½	26,000
" registered $1,000 & $5,000			F & A	....	....	....	....	....
" con. g. 5's	1945	16,500,600	M & N	94½	Sept.24,'97	95	94½	183,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....	....	....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	45	Sept.29,'97	52	39½	587,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	17	Sept.25,'97	18¾	14	855,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	9¾	Sept.27,'97	10	8½	48,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	95½	July 15,'97	....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	107	Sept.23,'97	107	107	6,000
" convertible 7's	1902	1,167,000	M & N	113¼	June 19,'97	....	....	....
" deb. 6's	1908	466,000	M & N	110	Mar.23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	112½	Sept.30,'97	113¾	112⅞	115,000
" registered			Q J	112	Sept.24,'97	112	112	3,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	102¾	Sept.24,'97	102¾	101⅛	11,000
" mortgage 5's	1912	2,887,000	M & N	78	July 9,'97	....	....	....
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114¼	Sept. 8,'97	114¼	114¼	1,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov.13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	101⅞	Sept.28,'97	102¼	101⅞	82,000
" ext g 5s series A B C D	1898	5,598,000	J & J	100½	Sept.29,'97	101	100½	7,000
" ext g 5's series E	1898	3,210,000	J & J	102½	June 10,'97	....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	....	....	....
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept.16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	....
" Cal. & O. div. ex. g. 7's	1918	4,858,000	J & J	107½	Nov.27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	June 16,'97	....	....	....
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	90	Sept.30,'97	90½	90	106,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr.21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	102½	Aug.18,'97	....	....	....
" 6's, g., Series A	1908	2,000,000	A & O	120	Aug.24,'97	....	....	....
" Mortgage gold 6's	1911	2,000,000	A & O	120	Aug.25,'97	....	....	....
" 1st con. g. 5's	1939	23,571,000	M & N	112½	Sept.29,'97	113	112	163,000
" registered			M & N	109½	Sept.17,'97	109½	109½	5,000
" Gen. m. g. 4½'s	1992	21,804,000	M & S	79⅝	Sept.30,'97	83	79¼	1,095,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100½	Sept.30,'97	102¾	100½	21,000
" 2d con. g. 4's	1989	1,000,000	J & J	92	Sept.29,'97	92½	92	39,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	97½	Sept.24,'97	97½	97½	15,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	101	Sept.28,'97	102¾	100	40,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Ohio Val. g. con. 1st gtd. g. 5's	1938	1,984,000	J & J	110¼	Aug.22,'93	....	....	....
Chicago & Alton s'king fund 6's	1903	1,882,000	J & J	113½	Sept.28,'97	113½	113	5,000
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	108	Sept. 9,'97	108	108	....
" 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago, Burl. & North. 1st 5's	1926	8,241,000	A & O	106	Sept.28,'97	106	106	500
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	116¾	Sept.30,'97	116¾	116	74,000
" 5's, sinking fund	1901	2,315,000	A & O	103½	June 12,'97	....	....	....
" 5's, debentures	1913	9,000,000	M & N	104¾	Sept.29,'97	105¼	104½	103,000
" convertible 5's	1903	15,263,900	M & S	109	Sept.28,'97	110¾	107¾	193,500
" (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	....	....	....
" 4's	1919	9,071,000	A & O	101	July 13,'97	....	....	....
" Denver div. 4's	1922	6,141,000	F & A	97	Sept.25,'97	99	99	25,000
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High.*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
• Nebraska extensi'n 4's,	1927	26,411,000	M & N	94⅝	Sept.25,'97	95⅛	94¼	256,000
• registered....................			M & N	91	July 10,'97	....	....	....
• Han. & St. Jos. con. 6's,	1911	8,000,000	M & S	121½	Aug.30,'97	....	....	....
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
• small bonds................			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold ..	1934	2,653,000	A & O	128	Sept.29,'97	128	128	2,000
• gen. con. 1st 5's.........	1937	9,767,000	M & N	102½	Sept.30,'97	102¾	101	154,000
• registered.................			M & N	99½	May 14,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	101½	Sept.24,'97	101¾	100⅛	15,000
Chicago, Indianapolis & Louisville.								
Louisv. N. Alb. & Chic. 1st 6's..	1910	3,000,000	J & J	113½	Sept.20,'97	113	112	23,000
Chic. Ind. & Louisv. ref. g. 6's..	1947	3,509,000	J & J	96	Sept.29,'97	97	95	21,000
• refunding g. 5's...........	1947	2,717,000	J & J	83	Sept.21,'97	83½	83	28,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D..	1898	1,671,000	F & A	102⅛	Sept.28,'97	102⅛	102	6,000
• 2d 7 3-10 P. D..........	1898	766,000	F & A	140¼	Sept.28,'97	140½	140¼	13,000
• 1st 7's $ gold, R. div...	1902	3,736,500	J&J	141¼	Sept.15,'97	141¼	141¼	10,000
• 1st 7's £................	1902		J&J	120	Feb. 8,'94	....	....	....
• 1st m. Iowa & D. 7's...	1899	421,000	J & J	139½	June 30,'97	....	....	....
• 1st m. C. & M. 7's......	1903	2,391,000	J & J	135⅝	July 2,'97	....	....	....
Chicago Mil. & St. Paul con. 7's,	1905	11,296,000	J & J	140	Sept.30,'97	142	139⅝	52,000
• 1st 7's, Iowa & D, ex,	1908	3,505,000	J & J	141	Sept.21,'97	141	141	19,000
• 1st 6's, Southw'n div.,	1909	4,000,000	J & J	118	Sept. 9,'97	118	118	5,000
• 1st 5's, La. C. & Dav...	1919	2,500,000	J & J	114¼	Sept.15,'97	114¼	114¼	3,000
• 1st So. Min. div. 6's....	1910	7,432,000	J & J	119	Sept.27,'97	119	118½	5,000
• 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	128½	Sept.15,'97	128½	128½	1,000
• 5's.......................	1910	990,000	J & J	107½	July 6,'97	....	....	....
• Chic. & Pac. div. 6's,	1910	3,000,000	J & J	119	Sept.30,'97	121	119	10,000
• 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	115¼	Sept.24,'97	115¼	114¾	51,000
• Chic. & M. R. div. 5's,	1926	3,083,000	J & J	110½	Sept.20,'97	110½	110	4,000
• Mineral Point div. 5's,	1910	2,840,000	J & J	108½	Sept.22,'97	108½	108½	6,000
• Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	113	Aug. 4,'97	....	....	....
• Wis. & Min. div. 5's...	1921	4,755,000	J & J	113	Sept.23,'97	113	113	3,000
• terminal 5's...........	1914	4,748,000	J & J	113¾	Sept.27,'97	113¾	112¾	14,000
• Far. & So. 6's assu.....	1924	1,250,000	J & J	118	Sept.20,'94	....	....	....
• cont. si'k. f'd 5's......	1916	1,368,000	J & J	106½	July 9,'97	....	....	....
• Dakota & Gt. S. 5's...	1916	2,856,000	J & J	111½	Sept.23,'97	111½	111½	8,000
• g. m. g. 4's, series A...	1989	21,117,000	J & J	102⅞	Sept.30,'97	103¼	102½	134,000
• registered................		....	Q J	94½	Dec. 11,'95	....	....	....
• Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	118	June 22,'97	....	....	....
• 1st convt. 6's..........	1913	5,092,000	J & D	120	Sept.10,'97	120	120	5,000
Chic. & Northwestern cons. 7's..	1915	12,771,000	Q F	143¼	Sept.30,'97	144	143	44,000
• coupon gold 7's........	1902	12,336,000	J & D	118	Aug.30,'97	....	....	....
• registered d. gold 7's .	1902		J & D	118¼	Sept.28,'97	118¼	118¼	18,000
• sinking fund 6's..	1879–1929	5,591,000	A & O	120	Sept.28,'97	120	120	2,000
• registered................			A & O	117½	July 13,'97	....	....	....
• 5's................	1879–1929	7,237,000	A & O	113¼	Sept.30,'97	113⅜	112¼	15,000
• registered................			A & O	106	Apr. 5,'97	....	....	....
• debenture 5's..........	1933	9,800,000	M & N	117¾	Aug.18,'97	....	....	....
• registered................			M & N	112½	May 7,'97	....	....	....
• 25 year deben. 5's.....	1909	6,000,000	M & N	110	Aug.26,'97	110½	109	15,000
• registered................			M & N	108¾	July 13,'97	....	....	....
• 30 year deben. 5's.....	1921	9,800,000	A & O	116	Sept.20,'97	116	116	2,000
• registered................			A & O	107	Nov.20,'95	....	....	....
• extension 4's.....	1886–1926	18,632,000	F A 15	104¾	Sept.17,'97	105½	104¾	4,000
• registered................			F A 15	100	Nov.10,'96	....	....	....
Escanaba & L. Superior 1st 6's..	1901	720,000	J & J	107½	Nov.28,'96	....	....	....
Des Moines & Minn. 1st 7's.....	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's....	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's..	1898	1,700,000	J & J	103½	Sept.27,'97	103½	103	11,000
Winona & St. Peters 2d 7's.....	1907	1,592,000	M & N	127	Apr.17,'96	....	....	....
Milwaukee & Madison 1st 6's...	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's..	1909	1,600,000	M & S	108	Nov.20,'96	....	....	....
Northern Illinois 1st 5's........	1910	1,500,000	M & S	108	Sept.30,'97	108	108	5,000
Mil., Lake Shore & We'n 1st 6's,	1921	5,000,000	M & N	136	Sept.22,'97	136	136	6,000
• con. deb. 5's...........	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
• ext. & impt. s.f'd g. 5's	1929	4,148,000	F & A	116	Sept.24,'97	116	115	12,000
• Michigan div. 1st 6's..	1924	1,281,000	J & J	131½	Aug.30,'97	....	....	....
• Ashland div. 1st 6's....	1925	1,000,000	M & S	134	July 22,'97	....	....	....
• income....................		500,000	M & N	110¼	July 2,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup...	1917	12,100,000	J & J	133	Sept.21,'97	133	132	30,000
• 6's registered..........	1917		J & J	130¾	Apr. 30,'97	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High.*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
• exten. and collat. 5's	1934	40,381,000	J & J	105⅞	Sept.30,'97	106¾	105⅞	319,000
• registered			J & J	105¼	Aug.23,'97			
• debenture 5's	1921	4,500,000	M & S	103½	Sept.29,'97	105	101¼	94,000
• registered			M & S					
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	85	Aug.21,'97			
• 1st 2½'s	1905	1,200,000	J & J	70	Sept.23,'97	70	70	1,000
• extension 4 s		672,000	J & J	83	Mar.15,'97			
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	105	Sept.30,'97	106	105	14,000
• small bond	1923		A & O	100	Apr.15,'97			
Chic., St.P., Minn.& Oma.con.6's	1930	13,413,000	J & D	132	Sept.30,'97	132	131	16,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	131	Sept.13,'97	131¾	131	15,000
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88			
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	Sept.23,'97	131	131	1,000
Chic., Term.Tr U.S.TrCo.cfs. of prop		28,252,000		45¼	Sept.30,'97	47¾	44¼	2,769,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,062,000	M & N	106	June 22,'97			
• gen'l mortg. g. 6's	1932	9,652,666	Q M	118¾	Sept.18,'97	118¾	118¾	2,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93			
• coupons off								
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	120	July 15,'96			
• 2d g. 4½'s	1937	2,000,000	J & J	103¾	Mar. 13,'97			
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	112	Sept.24,'97	112	112	3,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95			
Clev., Ak'n & Col. eq. and 2d g.6's	1930	730,000	F & A					
Clev. & Can.Tr.Co.ctfs. 1st 5's for.	1917	2,000,000		70	Sept.20,'97	70	68	41,000
Clev.,Cin.,Chic.& St.L. gen.m. 4's	1993	7,574,000	J & D	86	May 25,'95			
• do Cairo div. 1st g. 4's	1939	5,000,000	J & J	90	Sept.23,'97	90	90	10,000
St. Louis div. 1st col. trust g.4's	1990	9,750,000	M & N	95¼	Sept.28,'97	95¼	90	57,000
• registered				90	June 10,'96			
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95			
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95			
Cin.,Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89¼	Apr. 15,'97			
Cin.,Ind., St. L. & Chic. 1st g.4's	1936	7,685,000	Q F	101¼	July 27,'97			
• registered				95	Nov. 15,'94			
• con. 6's	1920	738,000	M & N	104	Mar. 29,'93			
Cin.,S'dusky&Clev.con.1st g.5's	1928	2,571,000	J & J	113	Apr. 22,'97			
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97			
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J					
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	81	Aug.27,'97			
• income 4's	1990	4,000,000	A	21	Aug.26,'97			
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	106¾	Aug.12,'97			
• consol mortg. 7's	1914	3,991,000	J & D	133¼	June 29,'97			
• sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89			
• gen. consol 6's	1934	3,205,000	J & J	127¾	May 14,'97			
• registered			J & J					
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's	1901	1,000,000	A & O	106	May 4,'97			
Clev.,Lorain & Wheel'g con.1st 5's	1933	4,300,000	A & O	108	Aug.27,'97			
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	108	Apr. 14,'97			
• registered			Q J					
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92			
• gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92			
Col.Midld Tr.Co.ctfs.1stg.6's asst.	1936	5,615,000	J & D	65	Sept.30,'97	66¼	64¼	222,000
• Tr.Co.cfs.cn.g.4's stm gtd	1940	968,000	F & A	21	June 6,'96			
• • 1st instal. paid				12⅝	Sept.24,'97	14	11¼	607,000
• • assented		3,900,000		5¼	Aug.20,'97			
• • 1st instal. paid								
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	118¼	Sept.20,'97	119¼	118¼	45,000
• registered			M&S					
Col., Hock. Val. & Tol. con. g. 5's	1931	406,000	M & S	74	Aug.10,'97			
• J. P. M. & Co. eng ctf. $45 pd.		7,694,000		76	Sept.29,'97	79	75	53,000
• gen. mort. g. 6's	1904	2,000,000	J & D	59	Aug.30,'97			
• gen. lien g. 4's	1996	852,000	J & J					
• registered, $5,000			J & J					
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93			
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97			
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97			
Morris & Essex 1st m 7's	1914	5,000,000	M & N	145	Sept. 9,'97	145	145	2,000
• bonds, 7's	1900	281,000	J & J	111	Aug.30,'97			
• 7's	1871-1901	4,991,000	A & O	113½	May 26,'97			
• 1st c. gtd 7's	1915	12,151,000	J & D	145	Aug.31,'97			
• registered			J & D	136	June 4,'93			
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	139	Aug. 2,'97			
• const. 5's	1923	5,000,000	F & A	116	Sept.21,'97	117	116	6,000
Warren 2d 7's	1900	750,000	A & O	113¾	Nov. 6,'95			

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Name.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High.*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	147⅛	Aug.31,'97	....	....	....
" reg	1917		M & S	143	May 4,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	124⅛	Sept.22,'97	124⅛	124⅛	2,000
" registered			A & O	128⅛	Feb. 12,'94	....	....	....
" 6's	1906	7,000,000	A & O	119	Sept.29,'97	120	118	14,000
" registered			A & O	116⅛	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	148¾	Aug.18,'97	....	....	....
" 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	....	....	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	918,000	J & J	....	....	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	89⅞	Sept.30,'97	90	88	74,500
" 1st mortg. g. 7's	1900	6,382,500	M & N	110⅛	Sept. 8,'97	110⅛	110⅛	1,000
" impt. m. g. 5's	1928	8,103,500	J & D	87¼	Sept.25,'97	87¼	87⅛	7,500
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,024,000	A & O	20	Sept.17,'97	20	19¾	36,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
" g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	105¼	Sept.18,'97	105¼	103	65,000
" registered			A & O	101⅛	July 23,'89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	103	Sept.30,'97	103	102	3,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	112	Sept. 7,'97	112	111	8,000
" 2d extended 5's	1919	2,149,000	M & N	117¾	Sept. 1,'97	117¾	117¾	1,000
" 3d extended 4½'s	1923	4,618,000	M & S	112¼	Sept.15,'97	112¼	112¼	12,000
" 4th extended 5's	1920	2,926,000	A & O	120⅛	Sept. 9,'97	120⅛	120⅛	3,000
" 5th extended 4's	1928	709,500	J & D	104	Sept. 9,'96	104	104	3,000
" 1st cons gold 7's	1920	16,890,000	M & S	142⅛	Sept.29,'97	143	142	50,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	Aug.17,'97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	141	Sept.10,'97	141	141	3,000
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	107	June 16,'97	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	111⅝	Sept.15,'97	111⅝	111	18,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	106	Sept.10,'97	106	106	15,000
" small								
Erie R.R. 1st con. g-4s prior bds	1996	30,000,000	J&J	91⅛	Sept.30,'97	93½	91⅛	1,183,000
" " registered			J&J	....	....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	71	Sept.30,'97	73¾	71	906,000
" " registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	110	Sept.14,'97	110	108	2,000
" 1st General g 5's	1942	2,223,000	A & O	95	Sept.14,'94	....	....	....
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	90	Dec. 11,'95	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	114	Sept.27,'97	115	114	366,000
" 1st con. gold 5's	1939	2,100,000	M & N	88	Sept.30,'97	89	85	36,000
" Port Huron d 1st g 5's	1939	3,083,000	A & O	86	Sept.29,'97	86	80	25,000
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80⅛	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105¾	July 31,'97	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	72	Sept.29,'97	76	69¾	536,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	58¾	Sept.25,'97	60¼	57⅛	202,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	106	Sept.25,'97	106	106	1,000
" 2d mortgage 7's	1905	1,000,000	J & D	100	Mar. 22,'97	....	....	....
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	92¼	Sept.29,'97	92½	91¾	142,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,230,000	A & O	103	Aug.11,'97	....	....	....
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,260,000	J & J	83	June 23,'97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115⅛	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,381,000	J & J	110	Sept.30,'97	110	110	5,000
" Con. g. 6's (int. gtd)	1912	8,455,000	A & O	105	June 29,'97	....	....	....
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	76⅛	Sept.30,'97	76¾	74	267,000

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• Deben. 6's p. & int. gtd,	1897	705,000	A & O	94	Dec. 6,'95	....	....	....
• Deben. 4's p. & int. gtd,	1897	411,000	A & O	100	July 6,'97	....	....	....
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	July 19,'97	....	....	....
• registered			J&J	112½	July 13,'97	....	....	....
• gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
• registered			J&J	97	Dec. 17,'95	....	....	....
• gold 4's	1952	15,000,000	A & O	106⅛	Sept.23,'97	106⅛	106⅛	4,000
• gold 4's regist'd			A & O	102¼	Aug.25,'96	....	....	....
• gold 4's	1953	24,679,000	M & N	103⅛	Sept.20,'97	103⅛	101½	14,000
• gold 4's registered			M & N	....	....	....	....	....
• 2-10 g. 4's	1904	4,806,000	J & J	99	Sept.29,'97	99	99	1,000
• 2-10 g. 4's registered			J & J	....	....	....	....	....
• 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
• registered			M & S	....	....	....	....	....
• West'n Line 1st g. 4's,	1951	3,550,000	F & A	103	Sept.23,'97	104	101½	15,000
• registered			F & A	....	....	....	....	....
• Cairo Bridge 4's g	1950	3,000,000	J & D	101⅛	Sept. 10,'95	....	....	....
• registered				....	....	....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	101¼	July 9, '97	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug.16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	July 1,'97	....	....	....
• 1st consol. 7's	1897	826,000	M & N	103¾	Aug.13,'97	....	....	....
• gold 5's	1951	16,526,000	J D 15	123½	July 22,'97	....	....	....
• gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	....
• Memph. div. 1st g. 4's,	1951	3,500,000	J & D	103⅜	July 28,'97	....	....	....
• registered			J & D	....	....	....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	105	Sept. 9,'97	105	105	9,000
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	88	July 7,'97	....	....	....
• 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	121	Sept.20,'97	121	120⅝	11,000
• 2d g. 5's	1909	6,593,000	M & S	85	Sept.28,'97	86½	85	65,000
• 3d g. 4's	1921	2,712,500	M & S	45	Sept.24,'97	48	45	19,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	97½	Sept.30,'97	100	97½	211,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....	....	....	....	....
Kan.C.Pitt.&Gulf 1st & col. g. 5's	1923	18,531,000	A & O	81½	Sept.30,'97	82⅝	79¼	216,000
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	60	Sept.22,'97	60	58¾	22,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	49	Sept.27,'97	49	45	7,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	116	Sept.28,'97	116½	116	5,000
• 2d mtge. g. 5's	1941	2,600,000	J & J	103¼	Sept.30,'97	103¼	101	19,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	100½	Aug.26,'97	....	....	....
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	104¾	Sept.24,'97	104¾	104½	11,500
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	124	Dec. 8,'96	....	....	....
Lake Shore division b. 7's	1899	1,134,500	A & O	107	Sept.30,'97	107	107	3,000
• con. co. 1st 7's	1900	10,778,000	J&J	109⅞	Sept.30,'97	109⅞	109⅝	46,000
• con. 1st registered	1900		Q J	109⅝	Sept.13,'97	109⅝	109⅝	29,000
• con. co. 2d 7's	1903	9,998,000	J&D	120½	June 29,'97	....	....	....
• con. 2d registered	1903		J&D	120	Aug.31,'97	120	120	5,000
• g 3½s	1997	22,483,000	J & D	102¾	Sept.30,'97	103⅜	102½	106,000
• • registered			J & D	102¾	Sept.29,'97	103⅛	102½	28,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	....	....	....	....	....
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov.30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J & J	101	Sept.29,'97	101	101	27,000
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	112	Aug.25,'97	....	....	....
• registered			A & O	109½	July 1,'97	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	106	July 27,'95	....	....	....
• registered	1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	90½	Sept.25,'97	90½	90	4,000
• registered			M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	101	Sept.16,'97	101	101	10,000
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	118½	Sept.17,'97	118½	117½	47,000
• registered			M&S	....	....	....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104¼	Sept.30,'97	104¼	104¼	8,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	118	Sept. 8,'97	118	118	2,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	88	Aug.23,'97	....	....	....
″ Ferry 1st g. 4½'s	1922	1,500,000	M & S	92½	Sept.24,'97	92½	91	7,000
″ g. 4's	1932	325,000	J & D	91	Sept.27,'97	91	90	9,000
″ deb. g. 5's	1934	1,500,000	J & D	100	May 25,'97	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	40	Mar. 23,'96	....	....	....
″ 2d m. inc	1927	1,000,000	S	106⅛	July 9,'97	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,726,000	A & O	....	....	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
″ 1st 5's	1911	750,000	M & S	107⅛	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103⅛	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
″ 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	36	Sept.29,'97	36⅛	35	17,000
″ Gen. mtg. g. 4's	1943	2,432,000	M & S	9⅛	Aug.21,'97	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	104⅝	Sept.29,'97	104¾	104½	93,000
″ Cecilian branch 7's	1907	545,000	M & S	102	Sept. 3,'96	....	....	....
″ N. O. & Mobile 1st 6's	1930	5,000,000	J & J	119⅞	Sept.24,'97	119⅞	119⅞	6,000
″ 2d 6's	1930	1,000,000	J & J	107	Aug.23,'97	....	....	....
″ E., Hend. & N. 1st 6's	1919	2,833,000	J & D	115	May 11,'97	....	....	....
″ general mort. 6's	1930	10,248,000	J & D	117	Sept.30,'97	117	116¼	10,000
″ Pensacola div. 6's	1920	580,000	M & S	103⅛	Sept.24,'97	103⅛	102	6,000
″ St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97	....	....	....
″ 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
″ Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107⅛	Aug. 3,'97	....	....	....
″ So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept.30,'96	....	....	....
″ 5% 50 year g. bonds	1937	1,764,000	M & N	100⅛	Sept.17,'97	100½	100⅛	5,000
″ Unified gold 4's	1940	14,994,000	J & J	83⅛	Sept.30,'97	85½	83½	261,000
″ registered	1940		J & J	83	Feb. 27,'93	....	....	....
″ Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	100	Sept.23,'97	100	99	42,000
″ collateral trust g. 5's	1931	5,129,000	M & N	103	Sept.17,'97	103	103	5,000
″ L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	106⅛	Sept.10,'97	106⅛	106⅛	4,000
″ N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	87	Sept.20,'97	87⅛	87	14,000
South & N. Ala. con. gtd. g. 5's	1936	3,673,000	F & A	93⅛	Sept.25,'97	94	93⅛	33,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	87	Aug.25,'97	....	....	....
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	96¾	Sept.28,'97	97	96	300,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118¾	Sept.20,'97	118¾	118	14,000
″ 2d 6's	1899	4,000,000	M & N	106	Sept.30,'97	106	105	27,000
Mexican Central.								
″ con. mtge. 4's	1911	58,903,000	J & J	66	Aug.14,'97	....	....	....
″ 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
″ 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
″ 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
″ coup. stamped	....	....	......	....	....	....	....	....
″ 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97	....	....	....
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97	....	....	....
″ registered	....		J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	116	Sept.30,'97	116⅝	116	17,000
″ 1st con. 5's	1902	2,000,000	M & N	107⅛	Aug. 9,'97	....	....	....
″ 6's	1909	1,500,000	M & S	118	May 2d,'96	....	....	....
″ coup. 5's	1931	3,576,000	M & S	120	Sept.16,'97	120	120	5,000
″ reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
″ mort. 4's	1940	2,600,000	J & J	106	Sept.10,'97	106	106	10,000
″ mtge. 4's reg	....		J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	September Sales. High.	September Sales. Low.	September Sales. Total.
Mil. Elec. R. & Light con. 30 yr. g. 5's	1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	135⅛	Aug. 4,'97	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	105¾	Sept.29,'97	106⅛	105⅛	52,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	....
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¼	Aug. 31,'97	....	....	....
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,718,000	J & D	85⅝	Sept.30,'97	87½	85	618,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	63⅛	Sept.30,'97	65¾	62¼	2,176,000
" 1st ext gold 5's	1944	998,000	M & N	80	Jan. 30,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	80	Sept.30,'97	83	80	80,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	68	July 9,'97	....	....	....
" Dal. & Waco 1st g. g. 5's	1940	1,340,000	M & N	83	Sept.13,'97	83	82	12,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Tebo. & Neosho 1st 7's	1903	187,000	J & D	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	99¾	Sept.29,'97	100	98½	39,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	96	Sept.29,'97	98⅛	96	130,000
" 3d mortgage 7's	1906	3,828,000	M & N	108⅛	Sept. 9,'97	110	106	39,000
" trusts gold 5's	1917	14,376,000	M & S	47	June 11,'97	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	70	Sept.30,'97	74⅛	70	78,000
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	101	Aug.18,'97	....	....	....
" 2d extended g. 5's	1938	2,573,000	F & A	106	Sept.17,'97	106	101	20,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s	1897	4,000,000	F & A	107	Sept.29,'97	107	106	14,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	106¾	Sept.27,'97	107	106½	10,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	88¾	Sept.29,'97	90⅝	87⅝	385,000
" stamped gtd gold 5's	1931	6,945,000	A & O	87	Sept.29,'97	87	87	2,000
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	....	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	121⅛	Sept.25,'97	121⅛	120	20,000
" 1st entension 6's	1927	974,000	J & D	114	Aug. 5,'97	....	....	....
" gen. g. 4's	1938	9,450,500	Q J	72	Sept.29,'97	76	72	174,500
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	111	July 21,'96	....	....	....
" 1st 7's	1918	5,000,000	A & O	130	Aug.23,'97	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	130	Sept.17,'97	130	130	21,000
" 2d 6's	1901	1,000,000	J & J	101⅛	Apl. 14,'97	....	....	....
" 1st cons. g. 5's	1928	5,594,000	A & O	103	Sept.28,'97	103	101⅛	43,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,320,000	A & O	106⅛	Aug.13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	118¼	Sept.24,'97	118⅛	117⅞	40,000
" 1st registered	1903		J & J	118	Sept.16,'97	118	117⅞	15,000
" debenture 5's	1904	10,000,000	M & S	109⅛	Sept.28,'97	110	109¼	29,000
" debenture 5's reg.			M & S	111	July 21,'97	....	....	....
" reg. deben. 5's	1889-1904	1,000,000	M & S	109⅝	Sept.24,'97	109⅝	109	34,000
" debenture g. 4's	1905	15,000,000	J & D	104¼	Aug. 3,'97	....	....	....
" registered			J & D	104	Aug.20,'97	....	....	....
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	104⅛	Sept.24,'97	104⅛	104⅛	6,000
" registered			M & N	104¼	Aug. 3,'97	....	....	....
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	111⅛	Sept.23,'97	111⅛	111¼	14,000
" 7's registered	1900		M & N	110¾	Sept.16,'97	111	110¾	11,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	103	May 7,'97	....	....	....
" reg. certificates			F & A	....	....	....	....	....

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West Shore 1st guaranteed 4's		50,000,000	J & J	107¾	Sept. 30, '97	108¾	107⅛	221,000
″ registered			J & J	107⅛	Sept. 29, '97	107⅛	107	98,500
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	108	Sept. 15, '97	108	108	25,000
″ registered			J & J	105½	June 12, '96	....	....	....
″ 2d gtd. 5's	1936	500,000	J & J	....		....	....	....
″ registered		....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....		....	....	....
″ small bonds series B		33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	121	Sept. 30, '97	121⅛	119⅝	84,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	110	Oct. 16, '94	....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107½	June 2, '97	....	....	....
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	100	Mar. 14, '94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's	1993	4,000,000	A & O	108	May 22, '96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	106½	Sept. 28, '97	108	105⅝	92,000
″ registered			A & O	105	Feb. 16, '97	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	123	June 16, '97	....	....	....
″ 1st 6's	1905	4,000,000	J & J	114	May 27, '97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's	1903	2,000,000	J & D	106	Dec. 4, '94	....	....	....
″ con. deb. receipts	$1,000	15,007,500	A & O	142	Sept. 30, '97	142	140⅛	48,000
″ small certifs	$100	1,430,000	......	140½	Sept. 30, '97	140½	138	6,700
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	122½	Sept. 24, '97	122½	122½	5,000
N.Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	108⅜	Sept. 29, '97	109⅞	108⅜	41,000
″ Refunding 1st g. 4's	1992	8,375,000	M & S	96	Sept. 30, '97	98	96	52,000
″ Registered	$5,000 only.	....	M & S	83⅜	Aug. 25, '92	....	....	....
N. Y., Sus. & W. 1st refunded 5's	1937	3,750,000	J & J	105¼	Sept. 29, '97	107½	105¼	18,000
″ 2d mortg. 4½'s	1937	458,000	F & A	85	Sept. 20, '97	85	84	88,000
″ gen. g. 5's	1940	2,547,000	F & A	88	Sept. 28, '97	90¼	84	466,000
″ term. 1st mtg. g. 5's	1843	2,000,000	M & N	105½	June 19, '97	....	....	....
″ registered	$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	96⅞	Sept. 17, '97	96⅞	95	17,000
Midland R. of N. Jersey 1st 6's	1910	3,500,000	A & O	120⅞	Sept. 29, '97	121	120⅞	3,000
N.Y., Texas & Mexico g. 1st 4's	1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's	1921	14,702,000	J & J	120½	Sept. 30, '97	122½	120½	89,000
″ registered			J & J	120½	Sept. 30, '97	122	120¼	155,000
St. Paul & N. Pacific gen 6's	1923	7,985,000	F & A	127	Sept. 14, '97	127	127	23,000
″ registered certificates			Q F	122⅝	May 18, '96	....	....	....
N. P. Ry prior ln reg.&ld.gt.g.4's	1997	75,709,500	Q J	91¾	Sept. 30, '97	92¾	91½	1,198,000
″ registered			Q J	92⅝	Sept. 25, '97	92⅝	92⅝	1,000
″ gen. lien g. 3's	2047	56,000,000	Q F	59½	Sept. 30, '97	61¾	59	2,145,500
″ registered			Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,930,000	J & J	107½	Sept. 29, '97	110	107	60,000
Norfolk & Southern 1st g. 5's	1941	750,000	M & N	108	June 26, '97	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	122	Sept. 27, '97	122	122	1,000
″ New River 1st 6's	1932	2,000,000	A & O	120	June 15, '97	....	....	....
″ imp'ment and ext. 6's	1934	5,000,000	F & A	97	Feb. 19, '94	....	....	....
″ coupons off		....	......	....		....	....	....
″ Sci'o Val & N.E. 1st g. 4's	1989	5,000,000	J & N	84¾	Sept. 28, '97	85	84	72,000
″ C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	101	Feb. 23, '97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.	1996	23,199,400	A & O	78	Sept. 30, '97	80⅛	77⅝	755,000
″ registered			A & O	....		....	....	....
″ small bonds			A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's	1920	3,500,000	A & O	49	Apr. 13, '96	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
Ogdensburg & Lake Chapl. inc.	1920	800,000	O					
" inc.	small	200,000	O	82	Feb. 26,'87			
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	102	Aug.25,'97			
" consolidated 7's	1898	3,066,000	J & J	102	Aug.25,'97			
" 2d consolidated 7's	1911	2,952,000	A & O	120	June 21,'97			
" 1st Springf'd d. 7's	1905	1,984,000	M & N	102⅛	Sept.30,'97	104⅛	101⅝	15,000
" 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92			
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¾	May 11,'97			
" gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96			
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	86	Aug.19,'97			
" gen. mortg. g 4's	1921	1,543,000	M & N	18	Sept.17,'97	18	14	7,000
" gen. eng. Trust Co. certs.		1,255,000		9	July 16,'97			
Omaha & St. Lo. Tr Co. cts. 1st 4's.	1937	2,717,000		59	Sept.16,'97	59	59	6,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	72⅛	June 11,'97			
Oregon Improvement Co. 1st 6's.	1910	254,000	J & D	108	Sept.21,'97	108	107⅛	25,000
" eng. Tr. Co. ctfs. of dep.		3,717,000		101⅛	Sept.28,'97	103¾	101	299,000
" " stamped int. paid								
" con. mortg. g 5's	1939	652,000	A & O	82⅛	Aug.24,'97			
" Trust Co. reor cts 2d ins pd.		5,897,000		42	Sept.30,'97	49	38	1,478,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	112	Sept.30,'97	112⅛	112	48,000
Oregon R. R. & Nav. Co. con. g 4's.	1946	15,174,000	J & D	91	Sept.30,'97	91¾	89⅛	311,000
Oregon Short Line 1st g. 6's	1922	13,651,000	F & A	115¾	Sept.29,'97	117⅛	115¾	275,000
{ Utah & Northern 1st 7's	1908	1,031,000	J & J	118⅛	Aug. 5,'97			
" g. 5's	1926	1,877,000	J & J	102	May 24,'94			
Oreg. Short Line 1st con. g. 5's.	1946	10,068,868	J & J	91¼	Sept.29,'97	92⅝	91	885,500
" non-cum. inc. A 5's	1946	7,096,000	SEPT.	56	Sept.29,'97	60	56	317,500
" non-cum. inc. B. & col. trust		14,018,000	OCT.	40¼	Sept.23,'97	41¼	38	90,000
Panama s. f. subsidy g 6's	1910	1,732,000	M & N	101⅛	Dec. 21,'91			
Pennsylvania Railroad Co.								
{ Penn. Co.'s gtd. 4½'s, 1st	1921	} 19,467,000	J & J	113⅛	Sept.30,'97	113⅛	111⅛	59,000
" reg	1921		J & J	112	Aug.17,'97			
Pitts., C. C. & St. Louis con. g 4½'s								
" Series A	1940	10,000,000	A & O	111⅛	Sept.29,'97	112	111	14,000
" Series B	1942	10,000,000	A & O	111¼	Aug.24,'97			
" Series C	1942	2,000,000	M & N	105	Jan. 16,'97			
" Series D gtd. 4's	1945	4,863,000	M & N	101⅛	Aug. 6,'97			
Pitts., C. & St. Louis 1st c. 7's	1900	} 6,863,000	F & A	111¼	July 2,'97			
" 1st reg. 7's	1900		F & A	109¼	Apr. 23,'97			
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	137	July 6,'97			
" 2d 7's	1912	2,546,000	J & J	140⅛	Sept.15,'97	140⅛	140⅛	7,000
" 3d 7's	1912	2,000,000	A & O	128	Aug.26,'95			
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	113	May 14,'96			
" registered			A & O	110	May 3,'92			
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	111⅛	Sept.30,'97	111⅛	111⅛	8,000
" Series A	1942	3,000,000	J & J	118	Apr. 18,'95			
" 4½ Series B	1942	1,561,000	A & O					
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	June 18,'96			
" 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96			
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,333,000	J & J	107	May 18,'96			
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S					
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J					
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000		108	May 12,'97			
{ con. sterling gold 6 per cent	1905	22,762,000	J & D					
con. currency, 6's registered	1905	4,718,000	Q M 15					
con. gold 5 per cent	1919	} 4,998,000	M & S					
" registered			Q Mch					
con. gold 4 per cent	1943	3,000,000	M & N					
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	111	July 8,'97			
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	113¼	Apr. 23,'97			
Del. R. RR. & Bge Co 1st gtd g. 4's,	1936	1,300,000	F & A					
Peoria, Dec. & Evansville 1st 6's.	1920	1,287,000	J & J	102	Sept.30,'97	102¼	101	68,000
" Evansville div. 1st 6's	1920	1,470,000	M & S	101⅛	Sept.30,'97	102¼	100	30,000
" Tr. Co. ctfs. 2d mort 5's.	1926	1,846,000	M & N	13	Sept.30,'97	17	13	186,000

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Peoria & Pekin Union 1st, 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	80	June 10,'97	....	....	....
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	106½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A,	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's,	1932	2,250,000	J & J	117	May 31,'89	....	....	....
" 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's,	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's,	1940	3,000,000	A & O	107¼	Sept. 25,'97	106⅝	103⅞	99,000
" 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	....	....	....
Pittsburg & West'n 1st gold 4's,	1917	9,700,000	J & J	78	Sept. 20,'97	78	75	51,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	83½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's,	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	57,243,000	J & J	84⅛	Sept. 30,'97	86⅝	84⅝	2,279,000
" registered			J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	81½	Sept. 30,'97	83½	80	706,000
Rio Grande Junc'n 1st gtd. g. 5's,	1939	1,850,000	J & D	87	Dec. 4,'96	....	....	....
Rio Grande Southern 1st g. 3-4,	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's,	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	67	Sept. 27,'97	69	67	120,000
St. Louis, A. & T. H. 1st 2T. g. 5's,	1914		J & D	105½	Aug. 27,'97	....	....	....
" registered		2,200,000	J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's,	1917	1,000,000	M & S	106	July 1,'97	....	....	....
St. Louis, South. 1st gtd. g. 4's,	1931	550,000	M & S	70½	May 28,'96	....	....	....
" 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
" 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's,	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A,	1906	500,000	M & N	115	June 12,'97	....	....	....
" 2d g. 6's, Class B	1906	2,766,500	M & N	115¼	July 30,'97	....	....	....
" 2d g. 6's, Class C	1906	2,400,000	M & N	115¼	Sept. 30,'97	115½	115	3,000
" 1st g. 6's P. C. & O	1919	1,035,000	F & A	118	May 23,'92	....	....	....
" gen. g. 6's	1931	7,807,000	J & J	114¾	Sept. 30,'97	116	114¾	47,000
" gen. g. 5's	1931	12,293,000	J & J	100	Sept. 29,'97	101½	100	171,000
" 1st Trust g. 5's	1987	1,099,000	A & O	92¾	Sept. 17,'97	92¾	92¾	5,000
Ft. Smith & Van B. Bdg. 1st 6's,	1910	319,000	A & O	110	Mar. 30,'96	....	....	....
St. Louis, Kan. & So. W. 1st 6's,	1916	732,000	M & S	35	June 11,'97	....	....	....
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	70	Sept. 30,'97	72	70	188,000
St. Louis S. W. 1st g. 4's Bd. ctfs.,	1989	20,000,000	M & N	73	Sept. 30,'97	76½	73	57,000
" 2d g. 4's inc. Bd. ctfs	1989	8,000,000	J & J	30½	Sept. 11,'97	31	30½	25,000
St. Paul City Ry. Cable con. g. 5's.	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000,000	A & O	105	Sept. 14,'97	105	105	11,000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	122½	July 15,'97	....	....	....
" Dakota ext'n 6's	1910	5,676,000	M & N	120	Sept. 24,'97	120½	120	4,000
" 1st con. 6's	1933	13,344,000	J & J	126½	Sept. 16,'97	126½	126½	14,000
" 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
" 1st c. 6's, red'd to 4½'s		21,248,000	J & J	106½	Sept. 21,'97	106½	105½	110,000
" 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
" Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	94½	Sept. 17,'97	94½	94½	2,000
" registered			J & D	89½	Apr. 23,'97	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	126	Sept. 10,'97	126	126	5,000
Montana Cent. 1st 6's int. gtd	1937	6,000,000	J & J	119½	Aug. 17,'97	....	....	....
" 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
" 1st g. g. 5's	1937	2,700,000	J & J	107	Sept. 10,'97	107	107	2,000
" registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	107	Sept. 10,'97	107	107	3,000
" registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's,	1938	3,625,000	J & D	107¾	Aug. 6,'97	....	....	....
" registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's,	1943	18,886,000	J & J	61	Sept. 30,'97	62	59¼	912,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High.*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	100	Mar. 17, '96	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	106⅝	Aug. 2, '97	....	....	....
" 1st g. 5's	1934	1,780,000	A & O	....	....	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18, '96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	40	Aug. 27, '97	....	....	....
" assessment paid			F & A	43⅛	Apr. 28, '96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	105	Sept. 4, '86	....	....	....
South Caro'a & Georgia 1st g. 5's	1919	5,250,000	M & N	95	Sept. 27, '97	95⅛	94	59,000
South'n Pac. of Ariz. 1st 6's	1909–1910	10,000,000	J & J	99¼	Sept. 24, '97	100	99¼	100,000
South. Pac. of Cal. 1st g 6's	1905–12	30,577,500	A & O	108⅛	Sept. 14, '97	109	108⅛	2,000
" 1st con. gtd. g 5's	1937	19,095,000	M & N	91¾	Sept. 17, '97	92¼	91⅛	39,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	83¾	Sept. 28, '97	84½	83¾	46,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	106¾	Sept. 30, '97	107	106¼	106,000
Southern Railway 1st con. g 5's	1994	26,962,000	J & J	93	Sept. 29, '97	95	92	285,000
" registered			J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	91½	Sept. 30, '97	92	90	22,000
" registered			M & S	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	112¼	Aug. 17, '97	....	....	....
Atl. & Char. Air Line, income	1900	750,000	A & O	104	May 24, '95	....	....	....
Col. & Greenville, 1st 5–6's	1916	2,000,000	J & J	115⅛	Aug. 26, '97	....	....	....
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	109	Sept. 24, '97	109	108¼	15,000
" divisional g 5's	1930	3,106,000	J & J	116	Sept. 27, '97	116	116	20,000
" con. 1st g 5's	1956	12,770,000	M & N	110⅝	Sept. 29, '97	110⅞	110	99,000
Ga. Pacific Ry. 1st g 5–6's	1922	5,660,000	J & J	117¾	Sept. 8, '97	117¾	117½	5,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	118	Sept. 9, '97	115	113	11,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	123	Sept. 27, '97	123	123	8,000
" equip. sink. f'd g 5's	1909	1,328,000	M & S	100	Jan. 14, '97	....	....	....
" deb. 5's stamped	1927	3,368,000	A & O	100	June 29, '97	....	....	....
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. B 6's	1911	1,900,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. C 6's	1916	1,100,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. D 4–5's	1921	950,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. E 5's	1926	1,775,000	M & S	....	....	....	....	....
" small			M & S	....	....	....	....	....
" ser. F 5's	1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	103½	Sept. 22, '97	104½	102¼	23,000
" gen. 5's. gtd. stamped	1926	2,466,000	M & N	103½	Sept. 30, '97	103½	103½	13,000
W. O. & W. 1st cy. gtd. 4's	1924	1,275,000	F & A	84	Aug. 10, '97	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	113¾	July 30, '97	....	....	....
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's	1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	111½	Sept. 28, '97	111½	112½	15,000
" 1st con. g. 5's	1894–1944	4,500,000	F & A	108¼	July 19, '97	....	....	....
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	109⅝	Oct. 9, '95	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅝	Dec. 18, '95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	111	Mar. 1, '97	....	....	....
" Sabine d. 1st 6's	1912	2,575,000	M & S	106	June 12, '96	....	....	....
" con. m. g 5's	1943	1,620,000	F & A	96½	Sept. 29, '97	97½	96½	137,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	105¼	Sept. 16, '97	105¼	105¼	5,000
" 1st gold 5's	2000	21,049,000	J & D	95½	Sept. 30, '97	96¾	95½	154,000
" 2d gold income, 5's	2000	23,227,000	MAR.	28½	Sept. 30, '97	33½	28½	3,070,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	121¾	Sept. 24, '97	123	121¾	96,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	104¼	Sept. 20, '97	104¾	103¾	7,000
" 1st M. g 5's West. div.	1935	2,500,000	A & O	104	Sept. 16, '97	104	104	2,000
" gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	80	Sept. 25, '97	81	78½	27,000
Toledo, Peoria & W. 1st g 4's	1917	4,900,000	J & D	72	Sept. 30, '97	72	69	41,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	86½	Sept. 28, '97	91	84	118,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	September Sales. High.	September Sales. Low.	September Sales. Total.
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	100⅛	Sept.16,'97	100¾	100¼	44,000
Union Pacific 1st g. 6's	1896	11,604,000	J & J	101½	Sept.30,'97	101½	101⅛	10,000
" g. 6's	1897		J & J	101½	Sept.28,'97	102½	101⅛	26,000
" g. 6's	1898		J & J	101¾	Sept.22,'97	102¼	101⅛	30,000
" g. 6's	1899		J & J	102	Sept.30,'97	102	102	13,000
" g. 6's Tr.Co.cfs.ex mat cps	1896	15,685,000	......	116	Sept.30,'97	116¾	111	184,000
" g.6's Tr.Co. cfs.ex mat cps	1897		......	116	Sept.29,'97	117½	111	59,000
" g.6's Tr.Co. cfs. ex mat cps	1898		......	116¼	Sept.30,'97	116¾	111	504,000
" g. 6's Tr.Co. cfs.ex mat cps	1899		......	116¼	Sept.28,'97	116½	112	23,000
" collat. trust 6's		3,983,000	J & J	99	July 17,'97	....	....	....
" col. trust g. 5's.	1907	4,970,030	J & D	88	Aug.31,'97	....	....	....
" col. Tr.Co. cts.g. 4½'s	1918	2,000,000	M & N	50½	Sept.23,'97	50½	50½	5,000
" collat. Tr. 6's g. notes	1902	8,150,000	F & A	103	Sept.15,'97	103	103	1,000
" col.Tr.6's g.nts. 5% prin.pd		....	......	100	Sept.23,'97	100½	100	57,000
Tr. Co. ctfs.Ext. sink'g f'd g 8's	1899	1,891,000	M & S	118	Sept.27,'97	121	110½	234,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	111¼	June 7,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		805,000	......	113½	Sept.29,'97	113½	112	60,000
" 1st 6's	1896	1,990,000	J & D	114	Sept.29,'97	114	114	15,000
" eng.Tr.Co. cfs. ex mat cps		2,073,000	......	113½	Sept.14,'97	113½	110	94,000
" Denver div. assd. 6's	1899	2,836,000	M & N	119¾	Aug.13,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		8,051,000	......	118	Sept.16,'97	118	113⅝	298,000
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	100	Sept.30,'97	103	92	2,081,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	34¾	Aug.16,'97	....	....	....
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	33	Sept.28,'97	33	33	2,000
" Den.&Gulf 1st c. g.5's	1939	15,801,000	J & D	51¾	Sept.30,'97	53⅞	44¼	3,592,000
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	107½	Sept.30,'97	107½	106¾	302,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	77	Sept.30,'97	81	77	784,000
" deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
" series B	1939	25,740,000	J & J	31	Sept.29,'97	33½	29⅞	132,000
" 1st g.5's Det.& Chi.ex	1940	3,500,000	J & J	98¾	Sept.15,'97	99¼	98	29,000
St. L., Kan. C. & N. St. Chas. B. 1st 6's	1908	1,000,000	A & O	111	July 20,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	107	Sept.27,'97	107	106½	36,000
" gen g. 2-3-4's	1943	10,000,000	A & O	47½	Sept.28,'97	49	47½	106,000
" inc. 5's	1943	10,000,000	Nov.	14	Sept. 9,'97	14	13	27,000
West Chic. St. 40 yr. 1st cur. 5's	1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's	1936	6,031,000	M & N	101⅞	Sept.28,'97	102½	100	150,000
West Va. Cent'l & Pac. 1st g. 6's	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	1,265,000	A & O	92	Sept.29,'97	93	85	17,000
" Trust Co. certificates		1,735,000	......	....	....	....	....	....
" Wheeling div. 1st g. 5's	1928	1,500,000	J & J	75	Sept.30,'97	75	70	3,000
" exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	37	Sept.24,'97	38⅞	37	94,000
" eng. Trust Co. certificates.		10,013,000	......	37	Sept.30,'97	39	37	130,000
" income mortgage 5's	1937	7,775,000	A & O	6	Sept.27,'97	7	5⅞	10,000

UNITED STATES GOVERNMENT SECURITIES.

Name	Principal Due.	Amount.	Int'st Paid.	Year 1897 High.	Year 1897 Low.	August Sales. High.	August Sales. Low.	August Sales. Total.
United States 2's registered	Opt'l	25,364,500	Q M	98½	98¼	98¼	98¼	5,000
" 4's registered	1907	559,634,000	J A J&O	112¼	110⅝	112¼	111¾	78,400
" 4's coupon	1907		J A J&O	114	111⅝	114	113¼	40,000
" 4's registered	1925	162,315,400	Q F	126⅛	120¼	126⅛	126⅛	82,000
" 4's coupon	1925		Q F	126¾	120½	126	125	189,500
" 5's registered	1904	100,000,000	Q F	114⅝	113	114¼	114¼	10,000
" 5's coupon	1904		Q F	115	113	115	113⅞	159,000
" 6's currency	1898	29,904,952	J & J	103½	103⅛	....	....	......
" "	1899	14,004,560	J & J	107¾	106½	....	....	......
" 4's reg. cer. ind. (Cherokee)	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

NAME.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	September Sales. High.	September Sales. Low.	September Sales. Total.
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	110	Sept. 16, '97	110	109⅛	5,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & S	85	Sept. 30, '97	86	83¾	49,000
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....		....	....	....
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....		....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	92	July 26, '97	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's	1945	18,081,000	M & N	113⅛	Sept. 29, '97	114	113	94,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	100¾	Sept. 29, '97	102¼	100½	188,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	103⅛	Sept. 27, '97	104⅛	103⅛	61,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109½	Feb. 9, '97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	95	Aug. 2, '97	....	....	....
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	93	July 12, '97	....	....	....
" Coupon off		....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106⅛	Nov. 10, '92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27, '96	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,175,000	J & J	....		....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21, '94	....	....	....
Commercial Cable Co. 1st g. 4's	2397	11,500,000	Q & J	106	Sept. 27, '97	106⅜	106	22,000
" registered			Q & J	106¾	July 12, '97	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,846,000	J & D	101	Sept. 24, '97	102¼	101	9,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	93	Sept. 22, '97	94	90	337,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	109⅛	Sept. 28, '97	110	109⅛	26,000
" 1st con. g. 5's	1995	2,156,000	J & J	112⅛	Sept. 24, '97	113	112⅛	33,000
" Brooklyn 1st g. 5's	1940	1,500,000	A & O	110⅛	Feb. 4, '97	....	....	....
" registered			A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.								
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14, '96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	106	June 25, '97	....	....	....
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,000,000	J & J	....		....	....	....
General Electric Co. deb. g. 5's	1922	8,000,000	J & D	100	Sept. 29, '97	100½	100	124,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26, '95	....	....	....
Grand Rapids Gas Light Co. 1st								
" g. 5's	1915	1,225,000	F & A	92½	Mar. 11, '95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107⅛	June 3, '92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,728,000	M & S	111	Aug. 23, '97	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19, '94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8, '96	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 28, '97	....	....	....
Iron Steamboat Co. 6's	1901	500,000	J & J	75½	Dec. 4, '95	....	....	....
Jefferson & Clearfield Coal & Ir.								
" 1st. g. 5's	1926	1,975,000	J & D	107	May 27, '97	....	....	....
" 2d g. 5's	1926	1,000,000	J & D	80	May 4, '97	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	103	Sept. 29, '97	103⅛	101¾	220,000
" small bonds				97½	Nov. 1, '95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	102	July 8, '97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27, '95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	103¼	Jan. 5, '92	....	....	....
" registered			M & N			....	....	....
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	85	June 5, '97	....	....	....
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	111½	Aug. 17, '97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,837,000	J & J	108	Sept. 28, '97	109	107½	31,000
Newport News Shipbuilding & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21, '94	....	....	....
			......	....		....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4, '95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5, '96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 18, '89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	113	July 7, '97	....	....	....
" 2d 6's	1904	2,500,000	J & D	109	July 27, '97	....	....	....
" 1st con. g 6's	1943	4,900,000	A & O	117	Sept. 28, '97	117	117	5,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23, '92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅞	Oct. 14, '95	....	....	....
Procter & Gamble, 1st g 6's	1940	2,000,000	J & J	117	Dec. 12, '95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME.	*Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	SEPTEMBER SALES. *High.*	SEPTEMBER SALES. *Low.*	SEPTEMBER SALES. *Total.*
So. Y. Water Co. N. Y. con. g 6's	1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's	1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's	1946	2,955,000	F & A	64	Sept.27,'97	70½	60	137,000
" " inc. g. 5's	1946	7,500,000	......	15	Sept.29,'97	19	10⅝	487,000
Sun. Creek Coal 1st sk. fund 6's	1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's	1917	1,244,000	A & O	89½	Sept.21,'97	89½	86	29,000
{ " Bir. div. 1st con. 6's	1917	3,399,000	J & J	90	Sept.28,'97	91	87½	36,000
{ Cah. Coal M. Co. 1st gtd. g 6's	1922	1,000,000	J & D	84	May 2,'95	....	....	....
{ De Bard. C & I Co. gtd. g 6's	1910	2,428,000	F & A	81½	Aug.16,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb.	1915	6,000,000	M & N	115	Sept. 8,'97	115	115	1,000
Vermont Marble, 1st s. fund 5's	1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's	1933	3,805,500	M & N	108	Sept.28,'97	108	108	17,000
Western Union deb. 7's	1875–1900	3,680,000	M & N	107	June 28,'96	....	....	....
" 7's, registered	1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's	1884–1900	1,000,000	M & N	105½	July 7,'97	....	....	....
" registered	....		M & N	105	May 10,'97	....	....	....
" col. trust cur. 5's	1938	8,502,000	J & J	109	Sept.29,'97	109	107½	18,000
Wheel L. E. & P. Cl Co. 1st g 5's	1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's	1908	570,000	J & D	....	....	....	....	....

United States Public Debt.

	Jan. 1, 1897.	*Aug 1, 1897.*	*Sept. 1, 1897.*	*Oct. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,640,650	559,641,200	559,641,200
Refunding certificates, 4 per cent	45,890	44,770	44,440	44,440
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,320	$847,365,540	$847,365,540
Debt on which interest has ceased	1,383,070	1,336,340	1,336,280	1,334,570
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct.	18,876,333	24,138,377	24,571,442	24,992,824
Fractional currency	6,890,504	6,887,702	6,887,702	6,887,702
Total non-interest bearing debt	$372,502,201	$377,761,442	$378,194,507	$378,615,890
Total interest and non-interest debt	1,221,249,961	1,226,463,102	1,226,896,327	1,227,315,500
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,700,169	38,527,169	38,434,169
Silver "	370,883,504	372,404,504	379,112,504	385,152,504
Certificates of deposit	50,830,000	63,495,000	63,650,000	54,150,000
Treasury notes of 1890	119,816,280	113,914,280	112,672,280	111,334,280
Total certificates and notes	$580,809,573	$588,513,953	$593,691,953	$589,070,953
Aggregate debt	1,802,059,534	1,814,977,055	1,820,858,280	1,816,386,453
Cash in the Treasury:				
Total cash assets	853,463,551	867,961,932	858,145,367	850,368,631
Demand liabilities	625,143,172	634,945,476	639,584,161	635,175,844
Balance	$228,320,379	$233,016,456	$218,561,206	$215,192,787
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	133,016,456	118,561,206	115,192,787
Total	$228,320,379	$233,016,456	$218,561,206	$215,192,787
Total debt, less cash in the Treasury	992,929,582	993,446,646	1,008,335,121	1,012,122,713

BANKERS' OBITUARY RECORD.

Ballard.—Z. A. Ballard, Vice-President of the Putnam (Conn.) Savings Bank, died September 24, aged seventy-five years.

Burdell.—R. F. Burdell, Cashier of the Chatham Bank, Savannah, Ga., died October 2. He was one of the well-known bank Cashiers of the State, and had been Vice-President of the Georgia Bankers' Association.

Burnham.—A. C. Burnham, of the banking firm of Burnham, Trevett & Mattis, Champaign, Ill., died September 13. Mr. Burnham was a man of considerable wealth and was noted for his benevolence.

Boyd.—Philander H. Boyd, President of the Citizens' Bank, Greenfield, Ind., since its organization in 1874, died August 30, aged seventy-nine years. He left a valuable estate.

Critchfield.—Terry Critchfield, President of the Jefferson County Bank, Oskaloosa, Kan., died September 7. He was born in Indiana in 1834, and had resided in Kansas since 1855. In 1876 he entered the banking business. Mr. Critchfield was elected county clerk in 1862, and was twice elected to the Kansas Legislature, in 1871 and 1875.

Dedman.—Samuel A. Dedman, President of the Southern Bank of Fulton, Mo., died September 28. He was born in Orange County, Va., in 1832, and had been President of the bank since 1876.

Danforth.—Frederick L. Danforth died September 5 at Buffalo, N. Y. He had been associated with the Buffalo Commercial Bank as director, Cashier and President for eighteen years, holding the last-named office for the past three years.

Garland.—John C. Garland, for the past ten years Cashier of the Western National Bank, Philadelphia, died September 27, aged fifty-two years.

Gray.—Milton Gray, a prominent resident of Findlay, Ohio, died September 30. For fifteen years he was President of the Farmers' National Bank of Findlay.

Howes.—Reuben W. Howes, formerly prominently identified with banking in New York City, died September 29.

Leeper.—Charles Leeper, President of the First National Bank, Clarion, Pa., was killed in a railway wreck at New Castle, Colo., September 10. Mr. Leeper was identified with a number of industrial enterprises in Pennsylvania, and was also largely interested in the manufacture of lumber at Portland, Ore. He left a very valuable estate, all accumulated by his own efforts.

Mack.—David Mack, President of the Hancock County National Bank, Carthage, Ill., and a lawyer of high reputation, died September 15 at the age of eighty years.

Marshall.—John E. Marshall, Second Vice-President of the Port Chester Savings Bank, died at Port Chester, N. Y., October 5. He was eighty-three years of age, and was for many years identified with the Westchester Fire Insurance Company. His son, Herman L. Marshall, is Cashier of the Port Chester Savings Bank.

McCormick.—Edward McCormick, President of the Citizens' National Bank, St. Paul, Neb., and one of the well-known and wealthy citizens of the State, died September 22.

Morgan.—Thos. R. Morgan, Sr., President of the City Savings Bank, Alliance, Ohio, died September 6. He was born in Wales in 1834, and came to the United States in 1865. He removed to Alliance in 1871 and became extensively engaged in iron manufacturing.

Packard.—Dr. Nelson I. Packard, President of the Citizens' State Bank, and Vice-President of the National Bank of Sturgis, Mich., died September 19.

Thompson.—Edward R. Thompson, President of the Dime Savings Bank, Norwich, Conn., died September 10. Mr. Thompson was born near Hartford seventy-six years ago. He had been President of the Dime Savings Bank since its organization about twenty-eight years ago, and was formerly President of the Second National Bank, of Norwich.

Walker.—S. Fred. Walker, Cashier of the Bank of Commerce, Salt Lake City, Utah, since 1891, died September 24.

Withers.—Geo. A. Withers, Cashier of the Farmers and Merchants' Bank, Piedmont, Mo., was found dead September 8. It is believed that he was murdered.

THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. NOVEMBER, 1897. VOLUME LV, No. 5.

THE MONETARY COMMISSION appointed by the Executive Committee of the Indianapolis Monetary Conference has commenced its labors, and has sent out a series of interrogatories to financial experts and theorists, in order to collect opinions and plans to serve as a basis for a comprehensive plan for the reform of the present currency system.

These interrogatories, which are replied to in another part of this number, are classed under three heads, "Metallic Currency," "Demand Obligations" and "Banking." This is perhaps as good a classification for tentative purposes as can be made, but the whole subject of currency reform is one in which these three branches are so inextricably interwoven that the answers to the questions under one of the heads mentioned are unavoidably dependent upon considerations falling under one or both of the others. Thus when under the head of Metallic Currency the inquiry is made, "What legislation is necessary to insure the permanent inviolability of the gold standard, any really comprehensive reply must include suggestions for a modification of the present issues of Government notes and of bank issues, as well as of the organization and management of banks. The only plan for the inviolable maintenance of the gold standard that could be formulated, without taking into consideration the financial machinery of the country, would be to forbid by legislation and constitutional amendment the circulation or use as money of any form of money other than gold coin and subsidiary or rather fractional silver coin. Even then some regulation of banks would be almost unavoidable unless banks were also altogether abolished.

The difficulty of confining an answer to this one interrogatory strictly to the head under which it appears is encountered with all the other interrogatories propounded under the several heads mentioned. It is, however, one thing to ask questions and another to give replies of any value. The Commission has no doubt realized the difficulty mentioned, in the endeavor to formulate and classify its questions, and probably does not expect categorical replies. What it aims at, in presenting its questions in this form, is to throw out suggestions which will cover the whole field and thus be sure to elicit replies which will indicate the close inter-relation between all parts of the financial system.

It is plain to those who have studied the subject most carefully that the first desideratum in a comprehensive plan for currency reform is simplicity. The present system is one that is unnecessarily complicated. The perfect system is one that combines the stability of a sound metallic basis with the convenience derived from paper representatives of that basis, with what experience has proved to be the best financial machinery.

The only sound metallic basis, according to the views of the accumulators of wealth in civilized nations, is gold. This may be either in the form of gold bullion or gold coin. Practically gold coin is the basis recognized by law, but gold bullion is practically, under the regulations of the mints of civilized nations, the same as gold coin, because the weight and fineness being the same, they are interchangeable in every transaction weight for weight. But for convenience and for increasing the monetary utility of the metallic basis, paper representatives are necessary. This is the first demand of the credit system which is the foundation of all modern business. These paper representatives of gold coin should be reduced to simplicity and uniformity.

At present there are in the United States two forms of these paper representatives of gold coin, Government notes of two classes, legal-tender notes, and Treasury notes, and bank notes. There is also in the United States another metallic basis inferior to gold coin, viz.: silver dollars, and these again are represented by Government notes, known as silver certificates.

Thus, while gold coin is the fixed metallic basis, there is another metallic basis of silver coin which is loosely affixed to it. Both gold coin and silver coin have their paper representatives.

To sum up, there are two kinds of metallic money and four kinds of paper representatives. Government notes are credits accorded to the Government and bank notes are credits accorded the banks. When a man receives any of this paper money to-day, he reasons this is good because it will be accepted in payment of any debt I may owe or anything I may wish to buy. This is generally true, and it is only under certain phases of business transactions that differences arise. The business transactions that cause these differences depend for this peculiarity on their being domestic or foreign, on their being large in amount, and also somewhat on their relation to general conditions of prosperity or the reverse.

If a man receives a gold coin or a certain weight of gold bullion, he reasons, I can use this under any conceivable conditions of trade or business, in large amounts or small, either at home or abroad. If a man receives silver dollars, he reasons, I can use these very well in ordinary transactions, but if I wish to use them abroad I shall have to get gold coin for them. How can I do that? I can deposit them in my bank and get a credit, and then I can draw my check on the bank and get gold; but can I do this to any extent? Then a doubt arises. The bank may not be able to do this to the extent required, especially if there is a great demand for such exchanges from all quarters.

With a legal-tender note or Treasury note the reasoning is, I can always get gold for this as long as the Treasury has gold to pay. But there have been signs that the Treasury may find it at times difficult to pay gold. There is thus a doubt thrown on the notes that renders them in some contingencies inferior to the gold itself.

National bank notes can be used to procure legal-tender notes and Treasury notes from the banks, or sometimes, when convenient to the banks, gold itself.

With each of these forms of paper representatives, in any transaction where gold coin is absolutely required, a different process must be gone through to obtain it in unlimited quantities. One process is by presentation at the Treasury, and another with different degrees of complication through the banks. The banks form the chief part of the financial machinery of the country. If it were not for their operations with the currency of the country, furnishing paper in any desired form to those who require it, silver dollars to those who require them, and putting all those who require gold in the way in which only it can be obtained, the viciousness of our currency system would become at once apparent to all.

If the currency be graded according to its inherent proximity to an actual gold coin basis, we have gold, legal-tender notes and Treasury notes, National bank notes, silver certificates, and silver dollars, in the order named.

Without the banking machinery how could the holders of silver certificates get gold. They would have to find the holders of legal-tender notes, etc., and buy the latter and then send them to the Treasury. The banks relieve the public of this necessity; they furnish a place of exchange, where the process is carried on quietly and ordinarily without alarm.

For this they as a rule receive no profit, except that derived from the loaning of deposits. They accomplish this in normal times without apparent effort. The dangers of the system only become visible at intervals and they arise as follows: The ultimate source of all gold received in exchange for paper money is the Treasury reserve. This is understood by the banks, and knowing by experience that the whole mass of paper currency would be thrown into confusion, if the Treasury should show signs of weakness, they economize that reservoir as much as they can. No bank in the country is by law required to keep any gold. But the banks do keep on hand a very large stock. They do this for their own direct protection, because the disorder of the currency by any exorbitant pressure on the Treasury would mean irreparable loss to them, through the depreciation of the securities they hold for their deposits and capital. The banks use their own supply of gold as a buffer to prevent too violent shocks to the Treasury reserve. When the Treasury is full of gold they supply themselves. When there is pressure for gold they pay out their own rather than permit too extensive raids on the Treasury. If it had not been for this assistance, rendered no doubt by a motive of intelligent selfishness, the Treasury would have succumbed during the panic of 1893.

But it appears most evident that this task of sustaining the gold paying power of the Treasury, and thereby the gold standard, is a much heavier one than it would be to sustain gold payments and the gold standard if the paper currency was reduced to one simple form for the whole country. If, for instance, legal-tender notes and Treasury notes and silver certificates were retired; if the silver dollars were melted down by the Government, and sold together with all other silver bullion except that necessary for fractional coinage, and the currency of the country took the exclusive form of gold coin and notes representing gold coin issued by the banks, it would be a comparatively easy task for the exchange machinery of the country to maintain gold payments at all times. The Treasury would keep no gold reserve. The bank notes, taking the place of the present Government notes, would be presented for gold when gold was required in no greater proportion than Government notes are now presented at the Treasury. The vast aggregate of domestic transactions would be consummated in bank notes. When gold was required the banks could supply it more readily than they can at present. They would increase their gold reserves, and being in direct contact with the pulse of business they could foresee and provide for extraordinary demands more readily than can the Treasury. Most of the banks without being required to do so by law now keep large gold reserves because they distrust the power of the Treasury in times of stringency. With a law requiring gold reserves, and with the consciousness that they must rely on themselves to maintain gold payments, they would jealously watch the gold supply and ensure its being ample at all times. With a clearing-house in New York city for the redemption of all the bank notes of the country—most of the redemptions would be effected by exchanges—gold would only be required to pay balances. A constant redemption of bank notes would tend to restrict the issues of each bank to the amount demanded by its legitimate business based on actual values. Each bank would be rendered cautious. There would be a tendency to rely on gold coin itself as a means of payments. The stock of gold coin would tend to increase and the few millions which were necessary for foreign payments could always be easily obtained and spared without alarm.

Plans to clear the way for this ideal system must be prepared in accordance with the working of existing financial machinery. They must accomplish several results:

1st. The retirement and cancellation of legal-tender and Treasury notes, with the least expense to the Government.

2d. The retirement of silver dollars and silver certificates. This will necessarily involve an expense of perhaps $150,000,000 to the Treasury. But the effect of this form of currency, so incongruous in a country seeking to maintain economical and safe gold payments, is so vicious, and it is such an obstacle to all genuine reform, that the country can well afford to pay the price of its removal.

3d. The adaptation of the banking laws to the new condition of things so as to give all the banks in the country an equal chance in the issue of a safe, elastic and homogeneous currency.

If Congress should enact a law delegating power to the President to take the necessary steps to accomplish the results indicated, in less than one year the country would recognize the beneficence of the change, and would be relieved of one great clog that has hampered and delayed its prosperity.

INTERNATIONAL BIMETALLISM, which but a few weeks ago since seemed to have attracted the *quasi* support of the Bank of England, appears now to have been dealt a severe blow by the adverse action of the British Government.

The success or failure of an international monetary conference has for a number of years depended upon the action of England. When United States commissioners were some months ago sent abroad to prepare the way for a conference, they appear to have at first secured some co-operation from the French Government, and then jointly with that Government to have made some proposals to the English authorities, the chief points of which appear to have been that a conference would become possible if the British Government would recede from their present position as to the monetary standard and agree to reopen the mints of India to the free coinage of silver and at the same time put in operation the dead letter of the law which permits the Bank of England to base notes on silver to the extent of one-fifth of its reserve.

By the ardent bimetallists these overtures, and they appear to have been nothing more, were announced as foregone conclusions. The American commissioners and their supporters seem to have been astonished at their success in securing the co-operation of the French authorities in making a proposition to England of such astonishing boldness. They appear to have had a just apprehension that they would be ignominiously snubbed, and the mere fact that their proposition was received with courtesy elated them to such an extent that they looked upon a conference which would successfully establish bimetallism as a certainty.

The reply of Lord SALISBURY has practically shattered their hopes. The Indian Government decline to reopen their mints to silver, and the mere suggestion that the Bank of England shall adopt a silver basis for part of its notes has raised a storm in England that threatened the overthrow of the ministry.

Last month the correspondence between the Governor of the Bank of England and the Lord Chancellor was considered. Since that correspondence appeared the leading bankers, merchants and discount houses of London prepared and presented to the Government a memorial, urging that no alterations should be introduced affecting the circulating medium of the country without full discussion by Parliament and the public at large, and that under no circumstances whatever should the pledges of successive Governments as to the British pound sterling and the single gold standard of the country be set aside either directly or indirectly, and that no step should be taken by or with the consent of the Government which has for its object any alteration in the value of that standard. The memorial conceives that any change or departure from the present English coinage system in the direction of reliance on engagements with other countries would be a fatal mistake, etc., etc.

Even the newspapers that are the staunchest supporters of the Government have not shrunk from attacking the apparent leaning of the ministry to bimetallism, going so far as to say that the cabinet had been brought to the verge of "some necromantic feat in currency debasement." The blame is laid primarily on Mr. ARTHUR BALFOUR, the First Lord of the Treasury.

Another paper says, "there are theorizers within the Government and these aided by a minority of the same type in the Bank Court, are credited with having jeopardized the inviolability of the imperial credit by readiness to discuss silver rehabilitation nostrums with men from the United States, Paris—from anywhere."

Sir Michael Hicks-Beach, the Lord Chancellor, who appears to have carried on the correspondence with the Bank of England, advising the holding of one-fifth of the reserve in silver, is regarded as hating all tricks with England's established policy, and what induced him to make the proposition to the Bank is still a matter of conjecture.

It was thought that had Mr. Balfour insisted on the encouragement of the hopes of bimetallists, that the ministry would have been overthrown. The answer of the Government shows that Mr. Balfour had to yield.

The whole attempt, conducted as long as possible in secrecy, to pledge England to participate in an international monetary conference and sending commissioners instructed to make the concessions mentioned, appears to have been initiated and carried on with a view to test the opinions of the financial and general public of Great Britain. It appears to have been a concession to Mr. Arthur Balfour by his associates who do not agree with his theoretical views as to the possibility or desirability of rehabilitating silver.

The public opinion of Great Britain has been tested and the marks of disapproval of the least tampering with the gold standard and monetary system of that country have been so strong that Mr. Balfour himself has probably agreed with his colleagues to let the matter drop.

It is said above that Lord Salisbury's note has shattered the hopes of Mr. Wolcott and his bimetallic brethren, and its purport was sufficient to shatter the hopes of ordinary men. But bimetallists are more hopeful than others. The close of Lord Salisbury's note expressed the desire to ascertain how far the views of the French and American Governments have been modified by the decision arrived at and whether they desire to proceed further with the negotiations at the present moment.

At first sight this would appear like asking a man who had been knocked down, if he wanted any more. It is a polite offer to give an opportunity for revenge to a defeated antagonist. But as the object of the American Commissioners is by many thought to be to keep the agitation alive at any price, this desire to ascertain whether they wish to continue negotiations does afford some slight ground for hope.

The commissioners have since the receipt of the note of the British Government expressed their intention of returning to France and seeing if it will be possible to induce the Government of that country to reopen negotiations on some other basis. In obtaining the assistance of the French Government in the first instance, the American commissioners must have convinced the French authorities that an international monetary conference at which some practical result might be reached was within the bounds of possibility. How they did this is not known. Very likely by going back and forth between England and France they showed enough from English authorities to give a color at least to the belief that England would not be so utterly immovable as in the past.

It has always been held by continental authorities that no monetary conference for the rehabilitation of silver could come to any practical conclusion, unless England was willing to yield something. But now that it is known that England will not yield even the slight concessions asked for by the French and American commissioners, how can France and the United States diminish their demands? They might, it is true, ask the English ministry not to declare war against the two countries if they conclude to open their mints to the free coinage of silver. No doubt England would hold her hands off. Or they might ask to be allowed to continue negotations with the Indian Government.

France however is not ruled by an Administration that for political purposes wishes to keep the possibility of an international monetary conference dangling in futurity for the mystification of voters. It is problematical whether the French leaders will allow themselves to be used to advance the political purposes of an American party. The greatest ingenuity can not originate any but frivolous grounds for further negotiation with England after the failure of the late negotiations. France will not desire to make herself ridiculous, however meekly the American commissioners may be willing to undergo the laughter of mankind while continuing necromantic proceedings with the ghost of a proposed international monetary conference.

But notwithstanding the failure of the American commissioners, it is impossible not to be lost in admiration at their audacity, and at the tremendous effect of their attempts upon the impossible. Thor, it is fabled, saw a giant asleep, and grasping his hammer, struck him three fierce blows each harder than the preceding one. At the first the giant's lips moved a little, at the second he heaved a sigh, at the third he murmured "shoo fly" in his sleep. But it seems that by magic the seeming giant was in reality a huge mountain. Thor, when the scales dropped from his eyes, saw three deep lakes where his hammer struck, and the people of that neighborhood had it seems experienced three earthquake shocks.

Our commissioners, whether with the assistance of magic or not, have caused the Old Lady of Threadneedle Street to stir in her accustomed sleep of conservatism and the shock has startled "the merchants, bankers and discount houses," and all the financial world of Great Britian into the wildest excitement. They have come near to wrecking a British ministry by their sweet voices.

Whether an international monetary conference is ever held or not, whether silver will ever be rehabilitated or not, and the crime of 1873 atoned for, the negotiations of Mr. WOLCOTT and his compatriots with the SALISBURY ministry can always be relied upon to enliven the dull pages of the comic history of England.

CONGRESS WILL HAVE ASSEMBLED in regular session before another number of the MAGAZINE is printed, and already there is much speculation as to the possibility of securing any changes in the currency and banking laws this winter.

There seems to be an opinion prevalent that it will be impossible to pass any currency bill satisfactory to the sound money party, and that this view of the case has chilled the efforts of the Administration. But no one can tell in advance what Congress may do. If tariff legislation is to be regarded as complete, there is an open field for the currency question.

The present Congress terminates by limitation on March 4, 1898, and if there is among its members such unwillingness to take up the currency question as is intimated, and such important differences of opinion as to the reforms needed, the time available to overcome this unwillingness and reconcile these differences is indeed very short.

Nevertheless if the same determined efforts were made by the Administration to amend the currency laws as that which proved successful at the last session in the case of the tariff, it does not appear impossible to accomplish something. There appear to have been as many differences of opinion in regard to tariff legislation as there are in regard to the currency, and yet these differences were reconciled. Differences of opinion, indifference and even bitter opposition, to any conceivable subject of legislation are to be expected in any legislative body, and therefore the existence of these states of mind among the members of the present Congress is no reason for anticipating that an agreement of some kind may not be reached.

Whether any law is enacted or not, the introduction and discussion of the currency question in Congress this winter would be at least a mark of progress. It is not necessary that the Administration should take the initiative and it is perhaps better that it should not do so. There are one or two bills now on the calendar that would serve as well as any to start the discussion, and it is not likely that Mr.

WALKER and Mr. FOWLER are going to let their measures drop out of sight without making an effort in their behalf. If either of these bills is taken up the whole subject will necessarily be exploited. The Administration would perhaps excite opposition by recommending any specific plan, but can use its influence in shaping and guiding a measure initiated in other quarters.

The course of wisdom on the part of the Secretary of the Treasury therefore seems to be to avoid recommending any specific and detailed legislation, and confine himself to calling the attention of Congress to the necessity of simplifying the laws relative to the coinage and the currency. If specific advice or information is wanted by Congress, that body will doubtless ask for it.

The failure to bring about an international monetary conference will undoubtedly remove one embarrassing obstacle that would have been encountered by the friends of monetary reform when the subject comes before Congress. If there were any possibility of an international agreement about silver this would be a powerful plea in demurrer against any project for a settlement of the question until the conference had come to some conclusion.

On the whole it is to be concluded that the cause of sound money will be benefited by a waiting game on the part of the Secretary of the Treasury and the Administration.

THE MORTGAGE LOAN DEPARTMENT of the Austro-Hungarian Bank, which is described in the second intallment of an article on that great institution published in this number, is likely to prove of interest, in view of recent discussions of mortgage banking.

The *Credit Foncier* of France, which has been the model of much legislation on this subject, has been exposed to serious criticisms for extending its loans upon city rather than agricultural property, and for aiding too much in the over-building of Paris and other cities. It is something of an anomaly according to American views for mortgage banking to be combined with the service of a bank of issue, as in the case of the Austro-Hungarin Bank. The distinction between quick assets and mortgage business is more clearly made, however, in Europe than in this country, and the mortgage department of the Austro-Hungarian Bank appears to be practically a separate institution. The bank has been able to set aside a considerable proportion of its capital for the mortgage department, but it is evidently well understood that it could not afford to impair the liquid character of the assets which protect its issue and discount departments.

The field for mortgage banking is a large one in the United

States, but it is exposed to storms which rarely affect older countries. The failure of many of the Eastern mortgage companies which made loans in Kansas, Nebraska and other States, constitutes a warning against reckless ventures of this sort.

A big corporation which covered the entire country and made loans on suburban as well as agricultural property might be enabled to set off occasional losses in the newer sections of the country against its profits elsewhere, but it would not be released from the requirement of extreme prudence in its management.

THE LARGE EXPORTATIONS of the products of the United States are having a very advantageous effect on the money market. There has been a struggle on the part of the European banks to prevent the drain of gold to the United States. In payment for the products which the European markets have been obliged to purchase, either our own securities held abroad, gold or merchandise must be sent. As yet there has been no increase in the importations of foreign merchandise. There seems to be no disposition to send over American securities, and the other alternative of sending gold appeared during the early portion of the month of October to be inevitable. From October 2d to the 23d, $7,771,822 in gold were received in New York city. Greater shipments were announced as probable, but at the present writing there has been a cessation of the flow of gold from Europe. In the mean time gold from Australia has been sent to San Francisco instead of to London, and further demands on the latter point from India have been apprehended. The Bank of England has raised its discount rate and put up the price of bar gold and eagles, taking every measure to prevent too large a drain of the precious metal. These devices of course have had some effect in diminishing gold exports to the United States but they do not explain the sudden cessation of what seemed to be a large and steady influx of gold.

It is claimed that the New York banks are lending money to London, and although this has been contradicted and slurred over, yet it seems highly probable. The method of this borrowing is said to consist in the New York banks carrying bills of exchange on London. It is stated that these bills are to be carried until January.

The country does not need any more gold at the present time, as the banks are overloaded with it and have in many instances commenced paying it out instead of currency, which has become scarce.

During the first three weeks of October the specie in the New York banks increased from 82 to over 100 millions, and the net gold in the Treasury increased from 147 millions to 151 millions.

The increase in the banks is largely made up of the gold sent from

Australia to San Francisco and from there sent to New York by registered mail. When the United States Treasury was in want of gold, California banks would exchange for legal-tender notes, the Government paying for transportation to the East, but with the supply now on hand it has not been deemed worth while to do so. The banks therefore when desiring to send the gold east do so by registered mail.

Since the gold does not seem to be required in the United States, it is just as well that the banks should make a profit by letting it remain in the English market. English financiers are perhaps in hope that before January this country may begin to take larger amounts of merchandise, or at least by that time the danger of a drain of gold to India and other points may have subsided. The low prices which prevailed for most kinds of American manufactures after the panic of 1893 led to the greatest exportation of manufactured products ever known in the history of the country. This has led to a knowledge and use of foreign markets which is likely to be maintained, and strengthens the trade position of the whole country and especially of New York as a great commercial centre.

If importations from foreign countries do not increase very largely it is not at all probable that the situation of financial advantage now occupied by the United States will be much changed by January, and then additional importations of gold may be expected.

In fact there is reason to believe that the conditions will be most favorable to so modify the currency laws as to place the Treasury beyond any future danger from presentation of its demand notes.

The only cloud that appears on the future of the Treasury is the continued deficiency in the revenues. But even this may be dissipated in time by increase of business under the present tariff, or by the imposition of some additional internal revenue taxes which will make good the deficiency. If this is done there will be no necessity of reviving any tariff discussion, and thus the agitations which changes in or additions to the tariff always give rise to will be avoided.

On the whole therefore the prospect is for a further increase in the tide of prosperity, which has been gradually rising.

THE REPORT OF THE SECRETARY OF THE TREASURY will be looked for with much interest by all who are interested in the reform of the currency of the country.

Notwithstanding the disposition in some quarters to relegate this great issue to a secondary place, it still continues to occupy the thoughts of all those who are really interested in the future permanent welfare of the United States. The cabinet recognizes the important bearing that Mr. GAGE's report will have upon the future action of Congress.

It is a matter of policy to determine whether in his report the Secretary shall or shall not suggest any definite plan or make any specific recommendations. In dealing with legislation the Administration must act with great circumspection, in order to overcome the indifference and the opposition of certain elements in Congress. A plan proposed by the Administration forms a point of attack for the opposition. When it was recently announced in the papers that Mr. GAGE had a plan of currency reform, it was soon after rumored that Senator TELLER was preparing a great speech in which he would proceed to tear the Secretary's plan to tatters.

Both of these announcements might have had no real ground to rest on, but they show the condition of latent repugnance in Congress to receive advice from the Executive.

The fight for free silver is by no means over. The failure of the negotiations for international bimetallism, while it strengthens the position of the sound money party, also simplifies that of those who are desperately fighting to secure a better market for the product of the silver mines. The principal obstruction to a clean issue has been cleared away. There is no longer any fence for the hesitators to flee to for refuge.

If it be true that there is a great combination among the producers of silver to raise the price of their product, by the establishment of the single silver standard, it is not the part of wisdom to underrate or seek to ignore its power. They have very much at stake. So enormous would be their profits if they succeed in bringing about the free coinage of silver that they can afford for some time to devote almost the entire product of the silver mines to the creation of a campaign fund to secure the desired result. The allegations as to this combination seem to be very strong and explicit. They are strengthened by the great activity shown during the presidential campaign of 1896. The agitation of that year was not carried on by means of wind acting automatically. The free silver gale which blew so terrifically during the whole of that canvas shows that there was powerful machinery working the bellows.

Perhaps it would be wise for the Administration not to afford any point of leverage by which the jealousy of the House and Senate can be brought into prominence, the reports of the Administration to Congress on the financial question being confined to an exposition of the dangers of the present currency laws, leaving the remedies to be applied to the wisdom of Congress. Whatever influence the Executive can properly exert upon legislation could be effectually used after such legislation is in progress.

Capable as Mr. GAGE is to prepare an adequate plan for currency reform in his report, his position and that of the Executive on this question might be much stronger if he refrains from so doing. There will be ample opportunity for him to bring the weight of his experience and character, of his capability to carry on successfully the finances of the nation, to bear after the question is definitely brought up in Congress.

In the present state of public opinion, and the absence of any other burning question of domestic welfare, to be brought forward at this session, it is almost impossible to conceive that the currency question will not force itself into notice immediately on the meeting of Congress. Like Banquo's ghost, it will not down. It is to be conceived therefore that there was much anxious thought bestowed on the treatment of currency reform in the report of Secretary GAGE and the President's message. And it would not be surprising to learn that they had arrived at the conclusion not to take a dogmatic position.

NEGOTIATIONS FOR INTERNATIONAL BIMETALLISM, which according to recent reports were being carried on with such hopeful prospects, appear now to have failed utterly.

The action of Congress in authorizing the President to appoint commissioners to sound foreign governments on the subject of an international monetary conference, and the appointment of those commissioners, has been the subject of much adverse criticism, the greater part of which manifests a short-sighted and captious spirit due to partisan opposition. But looking at this action fairly, and considering the necessity of definitely settling the possibility of international bimetallism, it must be concluded that the appointment of the commissioners has been a benefit to the cause of sound money in the United States. Mr. WOLCOTT and his associates have made a strong fight for international action, and their failure foreshadows the hopelessness of any similar efforts in that direction.

The international agreement scheme has been for years a sanctuary which has sheltered both the advocates and the opponents of currency and monetary reform. Men who were called statesmen and men who were called demagogues have alike hidden themselves in its recesses. It has been the pillar of cloud and the pillar of fire that has dazzled many and befogged more. When the silver craze was at its height it served the purposes of the friends of honest money in securing a necessary breathing spell during which the masses of the people could learn the truth. Each of the several attempts to secure an international agreement has failed, and it would seem to be wise for the United States to abandon further pursuit of this phantom.

PROFITS ON NATIONAL BANK CIRCULATION.

The following letter and the accompanying computation of profits on an investment in United States bonds as a basis for bank circulation have been sent to the MAGAZINE by Mr. W. F. Day, Cashier of the Sellersville (Pa.) National Bank:

"DEAR SIR:—We believe there is a good profit at present in buying Government bonds for circulation, and beg leave to submit the following statement of profit on cash outlay required on a $1,000 four per cent. bond, due in 1907. The investment is safe because based on Government bonds, and as the annual premium charge wipes the premium gradually out, no fears need be felt on that account. The five per cent. redemption fund releases an equal amount of reserve held for deposits.

Kindly reply if, in your opinion, the calculation is true and correct.

Par of bond	$1,000
Premium	120
Market price	$1,120
Circulation on bond	900
Net cash outlay	$220
1st year's investment	$220
Less annual premium charge	12
2nd year's investment	$208
3rd " "	196
4th " "	184
5th " "	172
6th " "	160
7th " "	148
8th " "	136
9th " "	124
10th " "	112

Annual interest on bond	$40.00
One-tenth of premium is annual premium charge	12.00
	$28.00
One per cent. tax on circulation, and expense	9.46
Net annual gain	$18.54

One-tenth of total.............. $1,660 is $166, or the average annual investment.

This average investment ($166) yields $18.54, or 11.168 per cent., which is worthy of the security.

$10,000 invested in bonds at this per cent. would yield $616.80 more per annum than five per cent. municipal bonds at par."

The calculation of the profit to be derived by a National bank from the investment in Government bonds and the issue of circulation furnished by Mr. Day is one of that class that omits to make a proper comparison of the profits accruing from the taking out of circulation, with profits that can be realized from investing the same amount of money in some other way.

The question of the advantage of taking out circulation upon Government bonds is not settled by merely showing that the transaction is not unprofitable. Even if the profit on the given amount invested in such a transaction were as high as ten per cent. or more, yet if it could be shown that a bank can by investing the same amount in another way make a profit as great, there would be no advantage in taking out bonds.

The key to the decision of the question whether any particular National bank derives an advantage from taking out circulation when bonds are at a given premium is the current rate of interest that money brings when loaned in the usual manner. By the current rate of interest is meant the rate a bank customarily realizes upon its loans and discounts.

Mr. Day in his calculation assumes an investment of $1,120 in bonds. On this there is an immediate return of $900 in circulation, which may be supposed to earn its own interest. The bank then is still out $220 in cash. This he calls the investment on which he calculates profits. He reduces this investment during the ten years the bonds have to run to maturity by twelve dollars a year, which in the ten years will make up the $120 premium which the bank will lose when the bond is redeemed at par.

Making these annual reductions in the $220 considered to be invested, Mr. Day arrives at an average annual investment of $166. On this he calculates he receives $18.54 per year, or 11.168 per cent. Well, this appears to be true, but what of it? Is this so much better after all than he could do by investing the whole sum of $1,120 used to purchase the bond in loans and discounts in the ordinary business of the bank.

This 11.168 per cent. does not represent the actual advantage there is in taking out circulation, but only such portion of the 11.168 per cent. as is in excess of what he could make by loaning the annual average investment at current rates. Now he might invest the $166, at five per cent. in municipal bonds, he would receive $8.30. The advantage of circulation would then be $10.24 or about six per cent., but merely six per cent. on $166. Upon the whole investment of $1,120 the advantage would be only some nine-tenths of one per cent. Assuming that he could loan the $166 at six per cent. he would receive $9.96, or a little over seven-tenths of one per cent. on the original sum disbursed. Were the current rate of interest ten per cent., he would receive $16.60 on his $166, or an advantage of $1.94 only or between one-tenth and two-tenths of one per cent.

In order to understand the problem better it must not be confused by calculating in the partial and obscure manner which Mr. Day has pursued. By taking all of his factors and arranging them to show their true interdependence, the true nature of the advantage derived from taking out circulation may be seen more clearly.

A bank invests $1,120 in a four per cent. bond to run ten years, what are its profits by this investment over and above what they would be if the bank simply loaned the $1,120 at current rates on good notes. Assume first the current rate of interest to be five per cent.

Receipts of the bank.

$1,000 four per cent. bond of 1907, for ten years		$400.00
900 circulation at five per cent. for ten years		450.00
		$850.00

Outlay.

Premium sunk in ten years	$120.00	
Expense and tax	94.46	$214.46
Net profit in ten years		$636.54
Compare this with proceeds of $1,120 at five per cent. for ten years		560.00
Advantage in favor of circulation when current rate is five per cent		$76.54

This result shows an advantage of about seven-tenths of one per cent. per annum in favor of taking out circulation. But as stated above everything depends on the rate of interest which a bank can obtain by the use of money in its ordinary business. Five per cent. is a rather low average rate.

It is not unusual for banks to obtain six, seven and even ten as the average annual rate on loans and discounts.

A calculation based on a rate of six per cent. would result as follows:

Receipts.

$1,000 four per cent. bond of 1907, for ten years		$400.00
900 circulation at six per cent. for ten years		540.00
		$940.00

Outlay.

Premium sunk in ten years	$120.00	
Tax and expense	94.46	$214.46
Net profit in ten years		$725.54
Compare this with ten years proceeds of $1,120 at six per cent		672.00
Loss by taking out circulation when a bank can loan at ten per cent..		$53.54

A calculation based on a rate of ten per cent. would result as follows:

$1,000 four per cent. bond of 1907 for ten years	$400.00
900 circulation at ten per cent. for ten years	900.00
	$1,300.00
Deduct premium, expense and tax as before	214.46
	$1,085.54
Compare this with ten years proceeds of $1,120 at ten per cent	1,120.00
Loss by taking out circulation when a bank can loan at ten per cent.	$34.46

The following table shows gain or loss in ten years by taking out circulation at current rates from five to ten per cent:

Five per cent.	$76.54	actual gain.
Six "	53.54	"
Seven "	31.54	"
Eight "	9.54	"
Nine "	12.46	actual loss.
Ten "	34.46	"

Therefore, as has often been shown before, the current rate of interest derived by any bank from the use of money in its ordinary business is the criterion by which that bank must judge whether to take out circulation or not beyond what it is obliged to take out to maintain its organization.

In parts of the country where a National bank can make over eight per cent. on ordinary loans, the bank incurs a loss upon the money it has to invest in Government bonds to conform with the law. Where rates of four and five per cent. prevail, there is some profit in circulation. Where rates of six, seven or eight per cent. can be obtained, the profit on circulation is so small that it hardly pays for the extra labor and trouble incurred by bank officers in signing and redeeming and replacing mutilated notes, entirely outside of the actual expense of printing and maintaining plates.

If the profit were universally as great as Mr. Day's partial calculation would make it appear, it is very strange that bankers all over the country need to be aroused by a special circular to gather it in.

THE MONETARY COMMISSION.

ANSWERS TO INTERROGATORIES CONCERNING THE CURRENCY AND BANKING SYSTEM.

The Monetary Commission appointed by the Executive Committee of the Indianapolis Monetary Convention, held in January last, has sent out a number of inquiries relating to the currency and banking system of the country. These interrogatories, together with the replies of the Editor of the BANKERS' MAGAZINE, are printed below. The publication of the questions and answers is made with the consent of the Commission.

METALLIC CURRENCY.

1. Should or should not the silver dollars and silver certificates be redeemed on demand in gold? If redeemed what reserves should be provided and how?

Answer.—As a general proposition silver certificates and silver dollars should be redeemable on demand in gold. But the gold standard can be maintained by their indirect convertibility into gold, when gold is required, without a direct redemption.

By indirect convertibility is meant the reception of silver dollars and certificates by institutions of exchange from customers and the giving a credit which may be checked against for such amounts of gold as the customers may require.

If there is direct redemption it would be necessary for the Government to hold a gold reserve of at least fifteen per cent. of the outstanding silver dollars and certificates. This reserve would necessarily be acquired either from revenues, or the sale of bonds, or perhaps by the sale of some of the silver bullion now on hand, or bullion obtained by melting some of the dollars now held in the Treasury. For instance, if the Government could gradually sell dollars and bullion (silver) now held of a coinage value of $250,000,000 at forty cents on the dollar for gold, it could gradually accumulate a gold reserve in the neighborhood of $100,000,000. The remaining silver dollars would amount to $307,172,342. The account would now show $374,620,299 silver certificates outstanding, and $57,145,770 silver dollars outstanding; in all $431,766,069, protected by $307,172,342 silver dollars and $100,000,000 in gold. The Treasury notes of 1890 are not included as it is assumed that they are protected by the present gold reserve. The process of melting down silver dollars and selling the bullion for gold could be repeated as silver certificates and silver dollars were redeemed in gold. The process might from the beginning be a gradual one, continued as the market was found to bear the silver offered. In this way the silver certificates and silver dollars would by degrees furnish their own gold reserve.

2. What in your judgment would be the probable amount of silver dollars and silver certificates presented, if direct redemption were enacted?

Answer.—The amount of silver dollars and certificates presented if direct redemption in gold were enacted would depend upon the business conditions prevailing throughout the country at any given time. A very large proportion of daily payments is made to-day in silver dollars and silver certificates, and this use of this form of money in preference to the use of National bank notes, legal-tender notes and Treasury notes is strictly in accordance with the Gresham law.

This active circulation of silver certificates and dollars for ordinary transactions prevents under present conditions any great amount being available for presentation for redemption. They answer the purpose of those who receive money to pay it out again. People prefer to hold their surpluses in money more easily convertible into gold, and therefore all reserves public and private are usually held in legal-tender notes, Treasury notes and National bank notes.

The direct redemption of silver certificates and dollars in gold would change this condition somewhat, but the habit of making these silver notes and dollars do the commoner work of exchange would when business conditions were good prevent any very large proportion being immediately presented. The fractional silver is now redeemable in gold, and yet the recurring demand for it prevents any great presentation for redemption. It would be the same in a degree with silver dollars and certificates. A sudden enactment might cause the presentation of perhaps fifty millions. But if the change were introduced by degrees in the way suggested in the answer to question 1 there would be very few presented. The silver dollars and certificates are practically a superior variety of subsidiary coin.

It would be wise to require the certificates and dollars to be presented in sums of not less than $1,000. The denominations of silver certificates issued for dollars should be confined to five dollars and less. Large silver certificates, ten dollars and upwards, should only be exchanged for small ones. The demands of business would keep most of the small certificates and dollars constantly together.

3. To insure the permanent inviolability of the gold standard, what measures would you recommend?

Answer.—This would appear in one sense an impossibility, inasmuch as it is always in the power of one Congress to amend previous legislation. Approximately this inviolability may be secured by enacting:

1st.—That the gold dollar of specific weight and fineness shall be the sole standard of value.

2d.—That all paper money shall be redeemable, when presented, in gold dollars, under such special regulations as appear to be most suitable for each class of money.

3d.—That silver dollars shall also be redeemable in gold.

4th.—That the word coin in all bonds and obligations shall be construed to mean gold coin, unless silver coin is distinctly stated.

4. For the purpose of facilitating the use of existing silver currency, what do you recommend as the smallest denomination of United States notes and bank notes which should be put into circulation?

Answer.—United States notes, twenty dollars; bank notes, ten dollars.

DEMAND OBLIGATIONS.

1. Do you consider that there are any dangers arising from allowing the United States notes to remain as a permanent part of our circulation?

Answer.—There is in a broad sense danger from giving absolute legal-tender qualities to any form of money but gold coin. There is danger from the fact that they are liable to be presented for redemption at times when the Treasury is embarrassed, thus tending to injure the credit of the Government. They interfere with the functions of banks of issue and restrict the usefulness of the latter. It is not properly the business of the United States Treasury to issue demand notes. They are apt to be redundant at one time and scarce at others with no way of adjusting themselves to the actual demands of business. Nevertheless if both Treasury notes and legal-tender notes were reduced in volume to about $150,000,000, the main practical dangers of their redemption from time to time would no doubt be abrogated. Still to retain any of them might at some juncture be a reason and temptation to increase their volume to a dangerous extent, and therefore it would be better to retire them all.

2. On what grounds, if any, would you favor the gradual but entire withdrawal of the Treasury notes of 1890 and of the United States notes?

Answer.—It would relieve the Treasury from the necessity and expense of holding and replenishing the gold reserve.

3. If it shall be decided to retire the United States notes, how can it be done without adding to our bonded debt?

Answer.—By using United States notes as a basis for National bank circulation, instead of bonds.

The United States notes would be held in the Treasury just as bonds are now held. The Government as its revenues permitted could gradually substitute gold for them and cancel the notes. This process could be extended over a period so long that a very small amount of annual surplus revenue would in the end cancel all these notes. In the meantime they would cease to be a demand obligation. The notes of banks issued upon their security would take their place in the circulation of the country.

4. Meanwhile what security or gold reserve would you recommend?

Answer.—A very small gold reserve would be necessary. There would be no call for it unless a bank failed or went into liquidation. When this happened the Treasury would redeem the notes of the failed or liquidating bank in gold, and cancel a corresponding amount of the United States notes held as security.

5. How in that case can provision be made for maintaining an adequate amount of currency available for the purposes of business?

Answer.—Bank notes would simultaneously with the retirement of the United States notes take their place in the circulation.

6. If it be thought inexpedient to fund the United States notes, how can they be redeemed with an assurance that bank currency will take their place?

Answer.—The replies to the 3d, 4th and 5th questions show how this can be accomplished.

7. In case provision should be made for the retirement of the United States notes, how could their presentation for redemption be best secured?

Answer.—The banks will find it for their interest to deposit the United

States notes as a basis for their circulation. Once so deposited these notes will be in the physical possession of the United States, and they can be retired and cancelled just as fast or just as slowly as the resources of the Treasury permit.

8. Should Government issues be withdrawn only as bank notes are put out? That is if an elastic system of bank issues should be adopted, would it be desirable to define and maintain any given quantity of circulation?

Answer.—The retirement of Government notes being accomplished by depositing them as security for bank note issues, the bank notes will certainly be equal in amount and perhaps exceed the amount of the Government notes on which they are based.

To induce the banks to deposit the United States notes as security, for every $100 deposited the bank should be permitted to issue $130 of its own notes. The excess of thirty dollars would be secured by the general assets of the bank and by a safety fund. The limit of ninety per cent. of the bank's capital would however still be kept in force. Thus a bank of $100,000 capital could issue $90,000 in circulation on a deposit of $69,231 in legal-tender notes. Of this $90,000, $20,770 would be secured by a safety fund and be a first lien on all the assets of the bank. If the United States notes did not prove sufficient as a basis for all the circulation required, banks could be permitted to deposit gold coin as a basis for circulation.

9. Would the banks in fact furnish the currency which the country needs, if the Government notes were withdrawn?

Answer.—There seems to be no serious reason why they would not be able, and at the same time find it profitable to do so under proper inducements and restrictions. There is not a civilized country in the world where the banks have proved inadequate.

BANKING.

1. Is it possible to rely upon national bonds as security for circulation?

Answer.—If the debt were stationary or tending to increase, yes. If the debt tends to decrease, no. Because in the latter case the bank notes would gradually diminish in volume and finally become entirely inadequate.

2. Can any safe and practicable plan be devised for using any other securities as a basis for bank note issues?

Answer.—Securities other than national, such as State, county or municipal bonds, or railroad or industrial bonds, are too diverse in character and value, and are issued under conditions and laws so various that it would be a task of great difficulty if not of utter impossibility to base a homogeneous National bank currency upon them.

The general assets of a bank however made up of commercial paper and other valuable instruments which each separate bank selects and loans money upon in its capacity of a well-managed business institution, afford a rational security upon which the issue of bank notes can be safely permitted.

The various State, municipal and county securities, railroad bonds and industrial bonds, upon which banks loan money become part of the general assets of a bank. But as such they, usually if not almost invariably, have been selected with care and prudence and at their actual market value as collateral. Such securities constituting part of the regular assets of a bank form a basis for circulation of a different value from the same securities selected for deposit with Government officers. The bank itself is an instrument for carefully weighing and appraising them. In this work it is brought in antagonistic relation to the borrowers who offer them as collateral. There are no political or other influences at work to cause them to be valued too highly.

No board of Government officers could safely appraise the enormous quantity of such securities that would be offered if they were legally made a basis of circulation to be presented and passed on in the same manner that Government bonds are now.

But even when these securities become part of the general assets of a bank, they are not as good a basis for circulation as commercial paper representing *bona fide* business transactions. It is upon such commercial paper together with other securities held that some of the safest and most successful banks in foreign countries issue their notes. There is no reason to believe that a bank circulating note system based on the general assets of each bank would not be as safe and elastic in the United States as in France or Canada, especially if the system were further strengthened by a safety fund.

3. If bonds should be used exclusively as a basis for issues, would it be possible thereby to secure an elastic note circulation?

Answer.—Unless there was an increasing supply of bonds of a homogeneous character, bank issues might be checked instead of stimulated when most required.

4. If bank note issues be based exclusively on assets of the bank, is the nature and extent of the security such as effectually to protect the note holder? What limit should be set to such note issues?

Answer.—Under proper regulations and limits, a circulation based on assets in the possession of a bank would be so secured as to adequately protect the note holder, especially with a safety fund provision. Such circulation should be limited to seventy-five per cent. of capital.

5. Since bank assets (including stockholders' liability, etc.) must be the means of ultimate redemption of such issues, what funds would you deem necessary to be held as a cash reserve for the immediate redemption of the notes; and in what form; and in whose hands?

Answer.—Twenty-five per cent. in gold for city banks, fifteen per cent. in gold for country banks, the percentage to be based on the amount of notes actually in circulation. This reserve to be held in the bank. In addition, five per cent. of authorized circulation should be held with a redemption agency to be established at the commercial center of the country.

6. In case of notes based on bank assets, what means can you suggest to obtain and preserve a high character of discounts?

Answer.—The same means that now are used, examinations and stric enforcement of law by the Comptroller of the Currency.

7. Can any watchfulness of other banks connected by locality or business connections be brought to bear on a bank to prevent bad banking? Can such a scheme be devised as in cities where clearing-house associations detect and punish weakness, by which country banks can be guarded?

Answer.—It is very doubtful whether widely separated country banks could find it convenient to form associations.

8. What plan of examination and inspection would you recommend?

Answer.—Examinations by competent examiners and reports to the Comptroller of the Currency or similar central supervisory bureau.

9. What methods would you suggest by which uniformity of note issues based on assets could be secured throughout the country? If by redemption, state where and how?

Answer.—The preparation and printing of all notes should be under the supervision of a central Federal bureau. All notes should be issued on a similar security plan whether on the general assets of the bank held by the bank, or on segregated assets deposited with the Government. Redemption should be made in the commercial center of the country by means of a redemption clearing-house. This should not supersede the necessity of redemption at a bank's own counter.

10. What, if anything, beyond provision for immediate redemption is needed for securing elasticity of note issues in periods of normal business?

Answer.—The experience of the Suffolk Bank system and other cases where genuine immediate redemption prevailed, has proved that such immediate redemption will secure elasticity of note issues.

11. In times of panic or sudden stringency, how would you provide for additional issues by the banks to enable them to continue discounts and prevent commercial distress?

Answer.—There should be a fixed limit to the issue of each bank in ordinary times. A good system of redemption for the notes of all banks, in the chief financial center, would tend to prevent periodical stringencies, but if stringency occurs banks may avert the worst, if permitted to exceed their normal issues for a time at least. These excessive issues, however, should be subjected to a rate of tax which will cause their retirement when rates of discount no longer make such issues profitable.

12 Of what should the bank reserves consist?

Answer.—Bank reserves on notes should consist of gold coin. On deposits any current funds redeemable in gold.

13. Should any National bank be permitted to pay interest on the current deposit of other banks?

Answer.—There should be no restriction on the payment of interest.

14. Should deposits of country banks in reserve cities be authorized to be counted as a part of the required reserve?

Answer.—Yes. This will aid in maintaining a system of redemptions.

15. What should be the minimum limit of capital for National banks?

Answer.—Twenty-five thousand dollars.

16. Should the existing ten per cent. tax on State bank notes be repealed?

Answer.—It should not if any uniformity of bank issues is to be maintained.

17. Should any National bank be permitted to establish branches under its single management? If so under what limitations, if any?

Answer.—There is no necessity for branch banks in the United States.

18. Should branch banks be obliged to redeem the notes of the parent bank and of other branches?

Answer.—The parent bank should be required to redeem the notes of all the branches, but a branch bank might be crushed by requiring it to redeem the notes of the parent bank and other branches at short notice.

19. Should branch banks be required to maintain any specified proportion of reserves to liabilities, independent of regulations for the general accounts of the parent bank?

Answer.—The branch bank should be under strict regulations so that it could always maintain its solvency during the time required for receiving assistance from the parent bank.

FOREIGN BANKING AND FINANCE.

The Means of Resuming Specie Payments.

An interesting discussion took place at the meeting of the Society of Political Economy in Paris on September 6, 1897, on the question, "By what methods should a country change from a depreciated to a sound currency without injury to public or private interests?" M. Arthur Raffalovich opened the discussion by reading from the budget report of M. Witte, the Russian Minister of Finance, for 1896, the declaration that "The reorganization of the monetary system ought to be effected in such a manner as to produce the least shock, to bring no artificial modification whatever to the existing state of things, since the monetary system constituted the foundation upon which rested all values and all the interests of property and labor."

M. Raffalovich expressed the opinion that this utterance represented the sound opinion regarding the method of changing from a paper to a specie basis. It was necessary, for accomplishing this result, to accumulate a considerable stock of specie, which should be defended and increased by a sound discount policy. The moment for resumption should be chosen at a time of general tranquillity, of durable peace, and when the exchanges were in favor of the country which might be carrying out the reform. Exports of the metal need not, in the opinion of M. Raffalovich, cause alarm or panic. What should be avoided was the conduct of conversions or reductions of interest upon securities held at home or abroad, which would bring them back into the country in exchange for gold and diminish their attraction for foreign capitalists. M. Raffalovich held to the opinion of Herr Bamberger, in regard to the rate at which conversion of paper money into the new standard should be made, who declared in the Reichstag that neither the average of past rates nor calculations of future probabilities should govern the matter, but the actual exchange at the moment when the transition was accomplished.

M. Raffalovich reviewed the history of paper fluctuations in Austria-Hungary and Russia and declared that in the latter country the reform was to-day an accomplished fact, lacking only application in secondary points and that gold already began to circulate. The principle which has guided Russian statesmen in the adoption of a rate of exchange, he declared, was that the rate should enrich no one at the expense of another and should be neither a cause of loss nor of unearned benefits.

M. Boissonade did not altogether agree with M. Raffalovich regarding the rate of exchange. He criticized the recent action of the Japanese Government in converting a silver yen into the half of the old gold yen. This course, he declared, was prejudical to individuals, the public pensioners, holders of the public stocks and all creditors. Their loss, it is true, would not be fifty per cent., but had already occurred little by little by the exchange rate between silver and gold. Heretofore, however, the holders of silver might have had a hope of relief from the influence of financial or economic events, but their loss was now liquidated and irremediable. M. Boissonade suggested the query whether France would treat her silver in the same way and reimburse it at only half its face value. M. Adolphe Coste reminded him that the French silver was not depreciated money, and M. Boissonade replied that he was glad to obtain a declaration to this effect.

Prof. N. C. Frederiksen agreed with M. Raffalovich and gave an interesting review of the policy of the Government and Bank of Austria-Hungary. He declared that the different methods adopted for the restoration of specie payments and to obtain gold had in some cases defeated their object. In order to fill the reserves with gold, he said they increased the circulation of notes and instead of maintaining a rate of discount sufficiently high to attract gold in a natural manner and to have diminished as much as possible the circulation of notes, they preferred, because of private interests and in order to facilitate certain operations of the ministry of finance, to maintain a rate of discount lower than it should have been in view of the money market of the country. The consequence was a high premium, when parity of paper and gold, the real end of the reform, might have been reached with sufficient ease. It was only later that the Bank recognized the error and adopted a sounder policy, which destroyed the premium on gold.

Prof. Frederiksen believed that the restoration of gold payments at the existing rate of exchange was the proper course for any country and that it might properly be adopted by Greece. It was, he said, an unpardonable fault to debase the national currency instead of contracting debts even under the worst conditions, but it was a fault not less pardonable to increase the value of the money which had once been lowered.

The Bank of England Reserve

The proposition of the Governor of the Bank of England, to hold one-fifth of the metallic reserve of the Bank in silver bullion, under certain conditions, has produced a more profound feeling of uneasiness in London than is generally understood in this country. It has reopened among banking men the entire question of the security of the British financial system.

At the meeting of the corporation of the Bank on September 16, Mr. Robert Benson declared that he felt justified in saying, as holding £10,000 of stock in the Bank as a trustee, that he felt it his duty to confer with his co-trustees as to the course they ought to pursue in the event of the risk of the introduction of silver into their investment, and they came to the conclusion that if anything of the kind occurred it would be their duty to sell and so close the risk. He thought, however, that he was justified in inferring from the letter read by the Governor that the risk was remote, and that if it was to be incurred it would be in circumstances in which, in the opinion of the directors, silver would be as good as gold for the purposes of the reserve. The question whether the bank was not carrying too large a reserve was raised by Mr. John Jones, but the Governor stated that the directors considered that they held the reserve of the country and that to keep a high reserve gave confidence to trade.

The London "Bankers' Magazine" apparently regards the circulation system of the Bank as calling for close scrutiny and says incidentally, regarding the metallic reserve:

"It must not be forgotten that the reserve of the Bank of England has been weakened since the year 1855 to the extent of £2,800,000 by the increase of securities held in connection with the reduction of the English country note issue. This is indeed authorized by the Bank Act, but it is a very unadvisable thing that the power should be exercised. We referred to this subject about a year since in this journal. We deprecated then any addition being made to the securities held by the Bank in its Issue Department. The basis of our note circulation should be the metal which supplies the standard of the currency of the country. We trust that the security of the bank reserve will not be impaired in this matter.

But in any case the right line for the bankers of the United Kingdom to take—should the Bank of England follow the course proposed, and keep silver as part of the reserve—will be to unite and take up the gold thus liberated on their own account, and to make arrangements with the Bank to hold it on their behalf. This would form the nucleus of a separate reserve from that of the Bank of England to be held by the bankers on their own account, and would maintain the banking reserve of the country at the same level as it would have stood at had no silver been held by the Bank of England."

Circulation of the Bank of Russia.

A new rule for the protection of the circulation of the Bank of Russia was formulated by the Emperor in a decree of August 29, 1897. This ukase recalls the fact that a fixed par of exchange was established between credit rubles and the old gold coins in the ratio of three to two by the ukase of January 3, 1897, and that it is desirable to bring the circulation into harmony with the new system. "In consequence of this, and in order to establish upon a solid basis the circulation of bills of credit," says the ukase of August 29, "we decree that bills of credit shall be issued under a gold guarantee by the Bank of State, in quantity strictly limited by the urgent needs of the money market. The amount of gold serving as guarantee for the bills of credit must equal half the amount of such bills put into circulation if this amount does not exceed 600,000,000 rubles ($300,000,000). The excess of bills of credit in circulation above 600,000,000 rubles shall be guaranteed by gold, at least ruble for ruble, so that every fifteen credit rubles shall be guaranteed by at least one gold imperial."

The presentation of the accounts of the Bank will hereafter be materially changed in accordance with the new arrangement. The issue and the banking accounts will be united into one, as in the case of the Imperial Bank of Germany and the Austro-Hungarian Bank, in spite of the fact that the security for the circulation follows the English system of limiting issues beyond a certain point to the amount of gold held. All of the outstanding note issues of the Bank of Russia are carried to the charge of liabilities while the gold holdings are made a part of the general assets. The account between the Bank and the Treasury is simplified in such a way as to wipe out obligations which offset each other and to reduce the nominal value of the gold rubles to the basis of the new standard. Thus 500,000,000 rubles in gold which have been held to secure circulation are raised to 750,000,000 rubles ($375,000,000) upon the basis of the new rate of exchange. The same rule is applied to a fund of 75,000,000 gold rubles belonging to the Treasury, which are raised to 112,500,000 credit rubles and applied to the reduction of the debt of the Treasury to the Bank. Thus the debt of the Treasury, which amounted to 568,778,167 rubles, is reduced by a sum of 362,500,000 rubles and will hereafter figure for 206,278,167 rubles ($104,000,000).

The gold funds of the Bank now reach a total of 1,131,700,000 rubles ($566,000,000), exclusive of 13,100,000 rubles ($6,600,000) held abroad against bills of exchange. The so-called exchange funds, heretofore set aside as the metallic cover for the circulation, make up 750,000,000 rubles of this amount at the new rate of exchange. The Bank carried on September 8, to which most of these calculations apply, a separate fund of 50,800,000 rubles formerly held against a particular part of the circulation and 81,200,000 rubles in its general banking fund. The Treasury gold held, amounting to 112,500,000 rubles at the new rate of exchange, and the fund carried in the current accounts of the Bank to the credit of the Treasury, amounting to 112,600,000 rubles, make up the total to 1,107,100,000 rubles. The remaining 24,600,000 rubles which is in Russia is in bullion at the Imperial mint. The gold belonging to the Treasury but held abroad does not figure in this account, but most of the gold in Russia which has been in the hands of the Government seems now to have been transferred to the hands of the Bank.

Work of the Austrian Mints.

A recent report of the Austrian Minister of Finance affords interesting data regarding the gold and silver coinage of Austria-Hungary since the adoption of the monetary reform law of August 11, 1892. There have been coined at the mints of Vienna and Kremnitz 367,241,650 florins in gold pieces of 20 crowns ($150,000,000), of which 243,723,180 florins were coined in Austria, and 123,518,570 florins in Hungary. There have also been coined in 10 crown pieces ($4), 1,056,230 florins in Austria, and 10,518,470 florins in Hungary. The total of the new gold pieces coined represents, therefore, a value of 378,816,340 florins. The value of the new silver pieces is 78,272,750 florins, of the nickel pieces, 30,000,000 florins, and of the copper pieces, 4,413,365 florins.

The "*Economiste Européen*," of September 24, which presents these figures, calls attention to the fact that the total gold coinage exceeds the amount necessary for the redemption of all the state notes. The amount of silver crowns (40 cents) will be carried up to 100,000,000 florins (that of the nickel pieces appears to be already sufficient), and the copper money will be increased to 13,000,000 florins. The new monetary system thus amounts already to 900,000,000 florins, which is 18,000,000 more than in 1891, when the monetary reform was instituted. The Austro-Hungarian Bank has been steadily laboring to bring its notes to par with gold and has practically done so, but does not yet pay gold universally upon demand, but only where it is required for export or for some other special purpose.

Progress of Russian Savings Banks.

The deposits in the Russian Savings banks continue to increase, especially in the branches of the Bank of Russia and the Treasury offices. The total deposits in banks of all classes on April 30 were 446,920,117 credit rubles ($228,000,000), and the number of accounts was 2,203,862. This represents an increase since January 1 of 18,107,355 rubles, and 83,974 accounts. The increase during January was 11,219,734 credit rubles and the increase in the number of depositors was 48,439. The increase during February was 4,870,389 credit rubles, and in number of depositors, 20,766.

The branches of the Bank of Russia on March 1 held 149,759,613 credit rubles to the credit of 664,589 depositors, and the Treasury offices, 178,072,295 credit rubles to the credit of 709,121 depositors.

The postal Savings banks carry deposits of 53,921,082 credit rubles to the credit of 464,839 depositors. The number of postal Savings banks is

3,358; of Treasury offices, 638; and of branches of the Bank of Russia, 132. Some of the customs offices and the branches of the Bank of Russia at St. Petersburg and Moscow also receive Savings deposits, the latter amounting to 29,571,663 credit rubles at St. Petersburg, and 26,019,034 credit rubles at Moscow.

A Congress of People's Banks.

The ninth Congress of the popular banks of France was held at Lille during the summer and brought out some interesting discussions. The Congress included delegates from the Savings banks and also from the co-operative banks which grant credit to agriculturists and mechanics who meet the standards for membership in the associations.

M. G. Francois, in an interesting article in the "*Journal des Economistes*" for September, calls special attention to the fact that the Congress repudiated state support for popular credit and adopted the following resolution:

> "The Congress reaffirms its belief that in France the foundation of a central agricultural bank by national endowment or guarantee of interest would be (1) An economic error, as exceeding the limits of legitimate intervention by the state and of a tendency to enfeeble the spirit of initiative and free association already insufficient in the country; (2) an unfortunate concession, in the actual condition of things regarding state socialism; (3) a new cause of public expenditure which would extend to the injury of the national finances; and (4) an artificial organization, tending to facilitate the creation of unprofitable societies or to sustain the operation of societies protected by public favor and to retard the natural formation of central banks by the normal development of local co operative associations."

The unwisdom of state interference in Savings enterprises was emphasized also by M. Eugene Rostand, who defined popular credit as responding to legitimate needs, such as operates in other countries with so much success and which permitted the popular banks of Italy to meet the crisis which proved so detrimental to more powerful institutions.

M. Charles Rayneri presented a report upon the modes of business of the Austro-Hungarian Savings banks in granting agricultural credit. He pointed out that these banks, governed only by a general statute, had invested in national securities only fourteen per cent. of their deposits and lent their aid largely to popular credit. M. Lepreux made a report upon the general Savings Bank of Belgium and its relations with agricultural credit, and came to the conclusion that the numerous state laws dictating the methods of business of the institution had not produced what was expected of them. He and M. Dubois, who discussed the same subject, agreed that the experience of Belgium was a new proof that private initiative is more efficient than the wisest legislative provisions.

Negotiable Wealth in Europe.

The report of M. Neymarck upon the work of the commission on negotiable property appointed by the International Statistical Institute has been concluded and published. The total, which is printed in the "*Bulletin de Statistique*" for September, is 446,000,000,000 francs ($85,000,000,000). M. Neymarck distributes this negotiable wealth among the various countries as follows: England, £7,246,902,736 ($35,000,000,000); Germany, 73,641,000,000 marks ($18,000,000,000); France, 80,000,000,000 francs ($15,500,000,000); Russia, 25,439,000,000 francs ($5,000,000,000); Austria, 11,680,800,000 florins ($4,500,000,000);

The Netherlands, 6,486,480,000 florins ($2,600,000,000); Italy, 17,500,000,000 lire ($3,400,000,000); Belgium, 6,193,419,000 francs ($1,200,000,000); Denmark, 2,054,679,000 crowns ($550,000,000); Roumania, 1,214,048,000 lei ($240,000,000); Norway, 600,000,000 crowns ($150,000,000).

It is pointed out in the "*Bulletin de Statistique*" that this large amount does not indicate with precision the negotiable wealth represented by the securities really belonging to each country. Many international securities quoted at Paris may be quoted also at London, Berlin and elsewhere. It is hoped that this computation will be made the basis of a more accurate investigation which will distinguish between the various classes of securities—whether those of governments, railways, banks or industrial companies; which will determine the nominal value as well as the quoted rates; which will ascertain the same facts regarding securities not represented upon the official bourse and will indicate the distribution of securities outside the country where they are issued. It is suggested that statistical information, following uniform methods, would be very desirable in each country, showing the annual issues of public and other securities, the conversion of securities, the admission of securities to the bourse and the regular quotations.

The Default of Venezuela.

The announcement about the middle of September, that the Government of Venezuela had suspended the payment of interest on the public debt, caused profound disappointment in Berlin, where four-fifths of the securities of the last loan are held. The amount of the loan, which was negotiated by the *Disconto Gessellschaft*, was 50,000,000 bolivars ($10,000,000) and was advanced upon the assurance that the money should be employed solely for rectifying the position of Venezuela towards earlier creditors. The Government announced that the funds had been thus employed and that a balance of 5,970,000 bolivars remained in reserve. The Government immediately proceeded, however, to issue Treasury bonds, to make loans from the local banks at eight per cent., to grant railway concessions with the guarantee of the State for the earnings, and to increase the expenses of all the departments, with a resulting deficit of about 20,000,000 bolivars in 1895. The feeling towards South American investments has become such that the news of the failure of the negotiations for the control of the Brazilian railways by the *Disconto Gessellschaft* and the London branch of the Rothschilds was received, according to the Berlin correspondent of "*L'Economiste Européen*" of September 24, with a feeling of profound satisfaction. Later reports indicated that the situation was not so bad as was at first stated and that the interest on the foreign loan of Venezuela would be paid by installments.

BANKING AND FINANCIAL NOTES.

—The banking returns for the June quarter in the Australasian colonies show some decline in current accounts and other items, owing to the bad season. The total amount of coin and bullion held is £24,389,189, against £26,156,894 for the previous quarter and £26,934,644 for the last quarter of 1896. This decline in the reserve is due to a large demand for shipments, which is already estimated to have carried off more than a year's production of gold in Australia and New Zealand. The current accounts of the banks declined from £100,757,828 at the close of the March quarter to £99,411,207 at the close of the June quarter. The largest net increase was £808,642 in the returns for Queensland, which was due to an increase of £857,898 in the Government deposits. The aggregate advances in all colonies for the June quarter amounted to £113,598,551, a decrease of £565,570 from the previous quarter.

—The postal Savings banks of Italy carried on June 30, 1897, 500,382,314 lire ($100,000,000) in deposits, representing 3,047,094 accounts. The net increase in deposits during June was 1,768,153 lire and in number of accounts 1169.

—It is expected in Paris that M. Magnin, the present Governor of the Bank of France, will retire from that position upon the enactment of the new charter, which makes his post incompatible with membership in the Chambers. "There are already several candidates in the field," says the correspond nt of the London "Economist" in the issue of September 25, "and their chances are freely discussed. M. Labeyrie, Governor of the *Crédit Foncier*, was at first the favorite in the political ring, but his chances have now diminished, and M. Pallain, Director-General of Customs, has a large following, and in the next place M. Leon d'Airolles, a high functionary at the Ministry of Finance. All those candidates would probably be passed over should M. Rouvier consent to exchange his seat of deputy for the functions of Governor of the Bank. He is a former Minister of Finance, and his qualifications are superior to those of his competitors."

—The General Bank of Roumania began operations in October, with headquarters at Bucharest and a subscribed capital of 20,000,000 francs. The capital has been subscribed to the extent of two-thirds by its foreign founders, the Bleichroeders and the *Disconto-Gesellschaft*. The object of the new institution is declared to be to supplement the work of the National Bank, which is not as liberal as is desired in the distribution of credit. It is expected that the new bank, by promoting large enterprises as well as minor ones, will give a new stimulus to the economic development of the country and reduce the current rate of interest.

—Baron de Merck, who promoted and organized the Bank of Mexico, which was recently established at Toluca, Mexico, presented a claim for $50,000 gold against the stockholders of the institution for his services. The claim was refused, and the case was placed in the hands of arbitrators for settlement. The latter gave a decision allowing Baron de Merck $38,000 gold.

—The Legislature of the State of Sinaloa has granted a charter to the Bank of London and Mexico for the establishment of a branch bank at Mazatlan, Mexico. A New State bank is also to be established.

—The Department of Finance has granted to Messrs. Hermanos, Palomo & Co., and Jose Breier a concession to establish a bank of issue in the State of Vera Cruz, Mexico, under the general provisions of the law of March 19 last.

—The production of gold in the Witwatersrandt region of South Africa during August last was 259,603 ounces, as compared with 213,418 ounces in August, 1896, and 203,573 ounces in August, 1895. This is the largest production in any single month since the opening of the mines and makes the total for eight months of the present year 1,890,513 ounces. C. A. C.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

REORGANIZING AN OLD BANK SYSTEM.

It sometimes happens that a bank that has been running a long time gets into a rut. The clerks grow, if not exactly careless, at least indifferent to appearances. Things lose that neat and orderly aspect which is so desirable. Mistakes are carelessly corrected or, it may be, not corrected at all. The work lags behind, pass-books are not balanced properly, accounts current neglected, small overdrafts allowed to run on, balance sheets not gotten off with absolute accuracy, and so on. By and by there is a general overhauling and the question is, what to do and where to begin? To reorganize an old system is just a little more difficult than to begin an entirely new one and the first point to be decided is which is the better way. The decision depends upon whether the objectionable features arise from inherent defects in the old system or from negligence in carrying out its details. Most likely the latter is the true state of the case, and if so there is nothing for it but to go patiently into every little detail and get things straight little by little. It is just like cleaning up a machine that has been fouled by dirt and neglect. Let us begin at the paying teller's desk and see how his work is done. How do his settlements run? Are his books kept in a neat and orderly fashion? Be particular to see that in his settlements he is careful to name the several items. Do not tolerate a list of figures without any indication to show exactly what each amount stands for. Look closely after any amount marked "sundries."

On no account permit "tickets" or "memorandums" to be carried for the accommodation of anybody. Insist that all totals shall be carried down in ink and the red lines neatly and carefully ruled. When there is an error in the settlement that cannot be found, and such will occur once in a while, charge it off to short and over account promptly. It is a bad plan to allow the teller to carry a "short" or "over" as a constant item in settling. The first teller's settlement should be entirely cut off from the settlement of the second teller, so that each may settle independently of the other. In many banks this is not the case, but the figures interlock so that an error of one teller may throw the other out. Get rid, as far as possible, of those little auxiliary books that some clerks love to accumulate around their desks. When they have to be used insist that they shall be kept in a neat and orderly manner.

Stopped checks, as a matter of fact, rarely turn up. Still it is well to be on the safe side, and for that reason the individual bookkeepers should have duplicate lists of all such checks. It is needless to say that the individual bookkeepers should not substitute for the tellers under any circumstances.

At the receiving teller's desk the work is apt to be slurred on account of the heavy rush at the end of the day. It is important to provide sufficient force to keep the work at this desk well in hand at all times. All the receipts come through this desk and carelessness here may prove costly in the end. In making his cash settlement at the close of the day the receiving teller should state his balance in detail on his settlement book, not omitting to list definitely the smallest item. Do not tolerate any grouping of items for the sake of convenience. Go over the settlement book for some time previously and ascertain how the settlements have been running and look out for any regularly recurring amount in cash balance.

The general ledger should have particular attention. In an investigation, such as we have been considering, the general ledger is apt to be slighted because it is really a very difficult desk to examine properly.

The first point to be attended to is to see whether the clerical force at that desk is sufficient to do the work as it should be done. The general ledger in charge of an industrious man is likely to get a good deal more than its fair share of work and then, if the industrious incumbent is succeeded by an individual of the opposite tendency, the work is bound to suffer.

It is the greatest mistake in the world to run a bank with an insufficient clerical force. In the long run such a policy will cost double price.

The points to be particularly noted in the general ledger are neatness, accuracy and promptness. The first point will show for itself. As to accuracy, note the system of making counter-entries to correct errors and then follow this system along for a month or so and see how many errors it has been necessary to correct. Follow up some of these errors, and see how they originated and whether the corrections have been made all the way through. A correct balance-sheet does not always show habitually accurate work. One thing to look out for is the "lead pencil" balance sheet. A bookkeeper who takes pride in his work will most likely take off his sheet in lead pencil first in order to be sure that it is right. If not right, the error can be hunted up, and then when the sheet is finally correct a fair, clean copy can be made out for the inspection of the board. Take the trouble to compare the "lead pencil" copy with the one for the board and see that they always agree. It might just possibly happen that a discrepancy will be noted right here that may lead to something important.

As to promptness, the best test is the reconciling of the accounts current. If these are all up to date it is fair to assume that prompt work is a characteristic of the general ledger.

It might be well at this point to revise the list of correspondents and the special arrangements with each. Neglect on the part of the bank's executive officer is most likely to show up in this particular.

Have an eye also to the expense account. An excellent and easy way of keeping track of things is to number each voucher in the upper right-hand corner and then make the entry read like this: Gas Bill, Voucher No. 67. Reference can then be had to the voucher at once without any looking up of months or years. Beware of expense entries under the indefinite head of "sundries." Make a reasonable estimate of expenses for some given period, say six months and see how the total agrees with the total actually charged up. The same course may be pursued with reference to interest, rent and exchange accounts. See how the estimate agrees with the actual figures and account satisfactorily for the difference.

While every system has its advantages it is difficult to say too much in praise of the thee-column balance ledger. Others may be shorter but brevity is gained at the expense of clearness and, what is not less important, the continuity of the narrative. In the general ledger there should be double balance columns, in order to show the debit and credit balances clearly. A double balance column will also show up overdrafts that might otherwise be hidden if there is only one column for debit and credit balances. In the individual ledgers one balance column will be sufficient, as debit balances are so few that they can be made in red ink. In examining the work of the individual ledgers look out for alterations and erasures. Note how errors are corrected and follow a few of them all the way through. Note whether the individual pass-books are balanced up promptly and correctly. Look where the balances are struck on the ledger and notice whether there have been any attempts to force a balance for a small amount instead of looking up differences.

If it is the custom for each individual bookkeeper to balance the books on his own ledger, a change ought to be made to the plan of having books balanced by an independent clerk, or let the bookkeepers balance each other's books. Notice whether checks and deposit tickets are assorted up to date and kept in a neat and orderly manner.

When pass-books are balanced or accounts current made up, an acknowledgment of correctness should be obtained from the depositor. This is not always easy, because so many men rely on the bank and will not put themselves to the trouble of reviewing the work and making sure that it is correct.

Each ledger should be made self-balancing by opening an account for a summary of the total debits and credits at the close of each day.

A regular balance-sheet should be taken off once a month with the names written in and once a week a proof sheet can be run off with the balances only.

In examining these ledgers an important part is the reviewing of the balance-sheets for some time back just to see how they have been running. Careless or inaccurate work will be almost sure to show up in the balance-sheets. Also look out for overdrafts and get down to the reason of each one.

The discount desk is very important and should be subject to rigid examination. Take it up point by point and insist on getting down to the bottom of things. In the first place the discount clerk should have a list of his bills receivable arranged in a book, each note listed under its due date. If he does not have such a book insist that one shall be made up. Check this list off item by item and see that each note called for is actually there. When the note calls for collateral of any kind, examine the collateral with the note. This takes time but it is time well spent. Add up the list and see that it proves with the amount on the general ledger. The discount clerk should certainly not take payments for the paper as it falls due. That should be done by the receiving teller or his assistant.

A careful examination of the form of collateral note in use should be made in order to be sure that it is in line with the latest decisions.

If there is no systematic credit department in connection with the discount desk, one should be organized at once. Properly maintained such a department can be made to pay for itself and will be a great help to the President and directors. Probably every bank keeps a discount ledger of some sort. See that this ledger is in good shape, and have a correct proof sheet taken off from the face of the ledger.

If the clerks have been at their several desks for a number of years it will be an excellent plan at the end of the examination to shift them around. It is not good policy to keep a man at the same desk so long that he gets an idea that nobody can run it but himself.

The corresponding desk also requires attention. See that all letters and telegrams are neatly copied and the copy books kept indexed up to date. Notice whether sight drafts are sent off promptly the same day they are put in by customers.

Note the method of handling coupons. Coupons are troublesome to handle and this is a point where a careless clerk will be likely to leave his mark. Look over his letters at the close of business some day and see how they are ordinarily written. The letters should be added and proved either with the cash book or the postings on the general ledger.

Notice whether there is a systematic way of getting an acknowledgment of your letters from your correspondents. Go over the book on which collections are forwarded and note whether it is kept up promptly, that is whether there are collections outstanding that ought to have been reported on.

There are so many little things at every desk to be looked after that it is difficult to enumerate them all. Indeed the whole matter is really more a careful and thorough attention to details than any large alterations in the general system. Look carefully after the system of filing letters and other papers. The present improved systems on this point are far advanced over those in use a few years ago.

In regard to the general care of books and records it would be well to see how close the system under inspection comes to the old adage that bids us have a place for everything and to keep everything in its place.

A word in conclusion. In reorganizing an old system it is very important to have new books ruled up all the way through the bank and to see that the transfers from the old books are made in each instance by a clerk other than the one who has had the old book in charge.

BANK DEFAULTS AND BANK DIRECTORS.

It is not an unusual thing, when a great bank defalcation comes to light, to cast much of the blame on the board of directors. At times language is used the severity of which borders upon harshness. The duties of a director are laid down with much rigor by gentlemen whose acquaintance with practical banking barely extends to the possession of a very modest pass-book, and plans for future guidance are mapped out by theoretical writers who can scarcely tell one side of a ledger from the other.

With so much excellent advice so freely offered it is a wonder, indeed, that bank directors can longer go astray, but, as is not seldom the case with gratuitous advice, the best part of it is the good intention with which it is given.

Were the supervision of the clerical work the only duty of the directors they might well be blamed if it were shown that this duty had been neglected. So far, however, is this from being the case, that many of the best bank directors in the country would frankly say that supervision of clerical work was not part of their duty at all and, even if it were, that they themselves would be quite unable to perform it.

A bank occasionally becomes concerned in litigation. The directors engage counsel who, in their best judgment, are competent and trustworthy.

They co-operate with counsel as far as they can, but is it the duty of the directors to supervise the drawing of the legal papers, to direct the conduct of the case, to put the evidence in shape and to tell the gentlemen of the law how they are to make their arguments? Certainly not. It would be unreasonable to expect that. Is it not equally unreasonable to expect gentlemen, who do not even pretend to be expert accountants, to supervise the clerical work of the bank of which they are directors? There are bank directors, it is true, who are most admirable accountants. And where such is the case their services are always at the disposal of the institution. But it is idle to expect such work from men who are chosen by their fellow stockholders for entirely different purposes.

It will be well to briefly consider what are the qualifications had in view when a director is to be chosen. In the first place he must be a man of reputation and substance. Whatever other good qualities he may have, no one wantsas a bank director a gentleman who has not been able either to accumulate some means of his own, or at least to hold on to that which some one else has accumulated for him. His very name must carry weight, and the bank must gain and not lose by his entrance into the board.

A most desirable qualification in a director is an ability to get business for the bank. Executive ability is rare, but creative ability is rarer still. A dozen men can be found who can manage an enterprise with skill and discretion where only one can be had who knows how to create it, how to get the business and make it grow. And it is not seldom the case that such men are neither literary nor mathematical. The next most important qualification of a bank director is the ability to judge paper offered for discount, and not seldom to go out and hunt for it when it is not offered.

Now, the ability to judge commercial paper and to pass on loans and investments is not to be gained by poring over treatises on bookkeeping or solving problems in commercial arithmetic. The best business men are self-taught and self-made men who, in the course of their hard, practical education, have had little time for superfluities and "frills."

The direction of the general financial policy of the bank, especially in troublous times, is peculiarly the duty of the board of directors. The proper performance of this duty requires financial skill of a very high order and should the directors fail in this particular the bank will be very likely to fail.

Thus it will be seen that the directors have high and important functions quite apart from overseeing the clerical work of the institution. That this work should be well and throughly done goes without saying, and no one realizes this fact better than the directors themselves. When the bank suffers loss, they are usually the heaviest losers and, were there no other reasons, that alone would be sufficient to call forth their best efforts. But they are practical men themselves and as such they well know that it is worse than useless to undertake to do something that one knows very little about. For that reason a Cashier is selected whose special duty it is to direct and supervise the clerical work. In the choice of this important officer the directors use their best endeavors to select the most suitable man that can be found. Very often he is taken from the force in the bank and is one who has proved himself capable for the position. But after the Cashier has once been selected and placed in the executive position the only way to do is to hold him responsible for results and to let him follow his own methods.

Directors naturally keep a general lookout for the interests of the bank, but they cannot continually interfere with the policy of their executive officer. If that becomes necessary the only remedy is to get another man who understands his business better.

Similar principles hold good in every corporation. Consider for example the case of a railroad : The directors choose a President and with his advice appoint the general officers of the road, the general counsel, the general freight agent, the chief engineer, etc. · But certainly it would not occur to the board to take personal direction of the work of any one of these departments. So it is with the trustees of a great hospital or of a university. They do their best to secure the services of experts in their several departments. That having been done they can only look to results to justify their action.

Practical bank men are so thoroughly acquainted with the situation that they have but scant patience with criticism so often visited upon the directors when an unexpected defalcation comes to light. There are black sheep in every flock, as the old saying is, and in every profession there are, alas! men who reflect no credit on their calling. And no one has yet found the touchstone by which the false can be told from the true.

SORTING DEPOSIT TICKETS.

A word as to sorting deposit tickets may not be out of place. It is the custom with many banks to sort tickets by days. That is to say the tickets for each day are strapped together, and at the end of the month all the tickets for the month are fastened in a bundle. It is much better to file the tickets of each depositor separately in the same way as the checks are filed. This system makes it easier to refer to a depositor's ticket when it is wanted and it also makes it practicable to prove both sides of the ledger in case the account is overdrawn. When a check is returned "not good" there is always a shade of doubt as to the correctness of the ledger, for even bank bookkeepers do sometimes make mistakes. When a book is balanced the tickets that have accumulated up to date should be strapped, the dates indicated and filed away in a separate drawer for possible future reference.

CLEAN MONEY.

Let our money be clean as well as "sound." Surely the most ardent advocate of silver would not object to our paper money being clean whether it represents the white or the yellow metal. A vigorous campaign for clean money should be inaugurated among our banks. The facilities for redeeming currency unfit for circulation are ample and there is no excuse for any teller paying out worn or soiled notes. A bank can score a good point by making it a rule to pay out nothing but clean money even at the cost of a little trouble and inconvenience to get it. Some paying tellers object to new notes because, as they say, the new notes do not slip so easily through the fingers. Or, to put it in another way, it is a little bit more troublesome to pay out new notes than old. Such an argument should not be allowed to stand for one moment in the way of accommodating customers.

THE AUSTRO-HUNGARIAN BANK.

(Continued from the October number, page 572.)

THE RULES GOVERNING CIRCULATION.

The existing rules governing the circulation of the Austro-Hungarian Bank are based upon the English system of 1844, with some modifications suggested by the most obvious defects in the working of that system.

The original charter of 1817 fixed no limit upon the circulation or the metallic reserve, but required notes to be paid to bearer in coin on demand. The revision of the statutes in 1841 named no absolute limits, but decreed that the directors should fix from time to time a relation between the notes and the metallic reserve such as should enable the Bank always to meet its obligations. More rigid requirements were imposed in 1863. The limit of "uncovered circulation," which might be issued in excess of the coin reserve, was fixed at 200,000,000 florins ($100,000,000) and was required to be represented by good commercial paper, securities deposited for advances, mortgage bonds of the Bank not exceeding 20,000,000 florins, and the matured coupons of mortgage bonds. The mortgage bonds were to be counted for only two-thirds of their face value. Gold coin or bullion was allowed to be held to the extent of only one-quarter of the metallic reserve. This provision was quietly changed by a law of March 18, 1872, giving the Bank discretion in regard to its holdings of gold and silver. This discretion was availed of by the Baron Von Lucam, First Secretary of the Bank, in that year and the next to buy a large quantity of gold with silver in anticipation of the decline in silver which his keen intuition foresaw.*

Little change was made in the requirements regarding the protection of the circulation when the National Bank was transformed into the Austro-Hungarian Bank in 1878. A decree of October 30, 1868, had already authorized the Bank to include foreign bills of exchange among the securities for the uncovered circulation. The circulation up to the revision of the charter in 1887 had never exceeded 382,000,000 florins (the point attained on October 31, 1884), and the annual average from 1878 to 1885 was about 335,000,000 florins. The Act of 1887, extending the charter of the Bank until December 31, 1897, required that two-fifths, or forty per cent., of the circulation should be covered by the metallic reserve of gold and silver coin or bullion and that the remaining three-fifths should be covered by commercial bills, advances on bullion and public securities and foreign bills of exchange. The Bank was authorized to count as a part of its metallic reserve 30,000,000 florins in the state bills, which are a legal tender over its counters. The limit of uncovered circulation was left at 200,000,000 florins, but the exception was

* Prof. Max Wirth, "A History of Banking in Leading Nations," IV, 84. This transaction netted the Bank a premium of 13,500,000 florins, besides accumulating a gold reserve which was of great value upon the adoption of the gold standard. The silver was sold in London, Paris, Amsterdam, Brussels and Berlin, unknown for many months to the great banking houses and even to the directors of the Bank.

made that circulation might be issued in excess of this limit and of the coin reserve under a tax of five per cent. upon the excess.*

The adoption of the German system, of permitting an increase of circulation above the customary limit upon the payment of a tax, has made the circulation of the Austro-Hungarian Bank much more elastic and more adapted to the needs of commerce than during the twenty-four years for which the limit remained rigid. The attempt to fix an absolute limit, exclusive of deposits of coin and bullion, broke down in Austria, just as it broke down in England in 1847, 1857 and 1866. The first occasion in Austria was in 1866, when the reflex action of the English crisis affected the Vienna market. The Bank endeavored, even after this experience, to keep within the limit and found it necessary in 1869 to suspend for two years advances upon private deposits of bullion in order to avoid the violation of the law. The crisis of 1873 found the limit of circulation again so harmful, in spite of the conservative policy which the Bank had pursued, that a letter was addressed to the Bank by the Minister of Finance on May 13, 1873, revoking the provisions of Article 14 of the statutes of 1863. This decree was subsequently ratified by an ordinance of the Diet, suspending the limit of circulation at the judgment of the Bank. Extraordinary credits were thereupon granted to the amount of 64,451,000 florins in Austria and 30,119,000 florins in Hungary, and the circulation was above the limit in May and July and almost continuously during the last quarter of the calendar year. This action of the Bank contributed greatly to the relief of the business community.

The rise of the circulation above the legal limit has not been attended with the convulsions of former times since the excess has been sanctioned by law. The Bank has increased the circulation in accordance with commercial demands, but has always been restrained by the five per cent. tax, if not by motives of sound policy, from maintaining an excess of circulation beyond the most pressing demands. The weekly reports for five weeks in the autumn of 1890 showed an excess of circulation, which rose as high as 23,257,080 florins for October 31, but disappeared on November 14. The Bank passed through a similar experience in the autumn of 1891. No excess above the limit was required in 1892, but there were four weeks of excess in October and November, 1893. There was only one week of excess in 1894, but there were several in 1895, and the year closed with 31,200,000 florins in circulation subject to the five per cent. tax. The record for 1896 showed only three weeks of excess, of which the largest was that of October 31, when the amount was 7,285,000 florins ($3,600,000).

This expansion of the circulation now occurs without exciting alarm or attracting any special attention except by those who keep a constant eye upon the money market. The five per cent. tax is levied in the form of a tax of 5.48 of one per cent. for the excess shown by each weekly report, representing, as in the case of the Imperial Bank of Germany, a rate of five per cent. for twelve months of four weeks each. The elasticity attained under this system is shown by a glance at the figures for a few representative years since it came into operation. The maximum, minimum and mean circulation, and the amount outstanding on December 31, are shown in the following table.†

* *Bulletin de Statistique et de Législation Comparée;* Paris, May, 1886, XIX, 573.

† These figures are taken from the official reports, *Regelmassige Jahresfkung der Generalversamlung der Oesterreichisch-Ungarischen Bank*, kindly furnished the author by the officials of the Bank.

YEAR.	*Maximum.* (a)	*Minimum.* (a)	*Mean.* (a)	*Outstanding Dec. 31.* (a)
1890	471,376	387,888	415,570	445,934
1891	466,687	392,798	421,099	455,222
1892	491,709	381,371	425,959	477,987
1893	504,282	427,291	463,988	486,623
1894	517,742	409,349	458,911	507,808
1895	620,400	446,600	527,400	619,854
1896	668,009	536,832	587,656	659,726

(a) In thousands of florins.

The difference between the maximum and minimum here shown is usually equal to about twenty-five per cent. of the minimum, and indicates that the Austrian bank-note system furnishes, within the limit of its exclusive operation, a currency system as elastic as that of Canada or Scotland. This elasticity is revealed, moreover, in a bank-note system limited at present to three denominations of notes—ten florins, 100 florins and 1,000 florins ($5, $50, and $500). The Bank was permitted by a law of 1862 to make a provisional issue of one and five-florin notes and these constituted until the close of 1865 more than a third of the circulation. They were then assumed by the Government and no notes below ten florins have since been issued by the Bank. The proportion of bills of ten and 100 florins has gained rapidly upon these of 1,000 florins. The ten-florin notes increased in number from 12,146,039 at the close of 1880 to 28,841,296 in 1896 and the 100-florin notes from 1,027,765 to 2,440,254, while the 1,000-florin notes increased only from 104,386 to 127,188.

THE RESERVE AND DISCOUNT RATE.

The Bank has had no difficulty in maintaining the required reserve of forty per cent. in metal and bills of exchange since that requirement was embodied in the law. The notes outstanding on December 31, 1896, were 653,689,550 florins, which were covered by a reserve of 448,276,940 florins, or 68.5 per cent. The proportion of gold to silver in the reserve has increased from year to year. The gold on December 31, 1889, was 54,266,584 florins and the silver was 162,203,583 florins. The gold had advanced on December 31, 1896, to 302,139,591 florins and the silver had declined to 125,744,338 florins.

The Bank of Austria-Hungary has pursued a conservative system in the regulation of the rate of discount, which has been midway between the policy of the Bank of England in raising the discount rate sharply in order to arrest gold exports, and the opposite policy of the Bank of France, in maintaining a uniform rate of discount at the expense of being compelled to purchase gold. The discount rate during the fifteen years from 1863 to 1878 was changed only twelve times and never went higher than six and a half per cent., while the rate at the Bank of England was changed 152 times and even at the Bank of France 46 times. * The rates have varied even less during the nineteen years of the history of the consolidated Bank. The rate of four per cent. for discounts has been uniformly maintained during the early part of the year, but advances to five or five and a half per cent. have occasionally been necessary during the autumn, which have continued into the winter. The last annual report, for 1896, states that the Bank strove successfully to

* Noel, 382.

keep the rate of interest steady at four per cent. after February 14, 1896, and was assisted by the two Ministers of Finance by the issue of gold from the national coin reserves. "The Bank did not allow itself," says the report, "to be forced from this position even by the temporary overstepping of the note limit exempt from taxation, and found so much the less occasion for doing so in the fact that the rates for bills of exchange did not appear to make it necessary to raise the discount rate."

The Volume of Commercial Discounts.

The volume of loans made by the Bank by the discount of commercial paper has grown steadily with the expansion of business in the two monarchies. The total of these operations is about eight times the mean, indicating an average discount period of about one and a half months. The total face value of the paper discounted by the old Bank was 366,943,602 florins in 1863, of which 271,149,471 florins was received at Vienna. The total discounts fell off slightly in 1867, but rose to 639,396,911 florins in 1871 and 877,266,856 florins in 1873. The development of the latter year was exceptional, owing to the speculative mania in Austria and Germany. The discounts fell in 1878 as low as 629,304,355 florins, and in 1879 to 565,686,840 florins.

The figures for 1891 were 970,846,246 florins; 1892, 889,242,924 florins; 1893, 1,038,621,207 florins; 1894, 1,076,106,751 florins; 1895, 1,250,400,000 florins; and for 1896, 1,200,780,026 florins. The year 1895 closed with 216,708 pieces of paper on hand representing 219,474,480 florins. The pieces purchased during the year 1896 numbered 1,355,036, at a face value of 1,200,780,026 florins, and the number paid during the year was 1,359,443 pieces, representing 1,202,662,342 florins. The net amount left on hand on December 31, 1896, was 212,301 pieces, representing a value of 217,592,164 florins, a loss of 1,882,316 florins as compared with 1895.

The growth in the number of small discounts, extending accommodation to retail trade, is indicated by the more rapid growth in the number of discounts than in the amount. The number of pieces of paper discounted in 1878 was 368,795. The number had become 550,829 in 1882—an increase of nearly fifty per cent.—and was 704,608 in 1887. This number has been nearly doubled in another ten years without anything like the corresponding increase in the value of the paper presented. The following table exhibits the number of pieces of paper discounted in the course of each year, classified by amounts. The totals differ slightly from the aggregate of discounts, because the latter includes a few warrants and special classes of paper:

Amount in florins.	*1890.*	*1892.*	*1894.*	*1896.*
Under fifty	13,583	15,413	20,609	29,147
Fifty to 150	149,710	176,349	239,617	325,593
Over 150 to 300	183,187	219,285	267,466	333,086
Over 300 to 600	166,022	181,283	216,405	255,037
Over 600 to 1,000	111,863	124,509	152,503	163,235
Over 1,000 to 2,000	93,481	96,686	123,391	128,521
Over 2,000	83,987	71,315	92,791	99,143
Total	801,833	884,840	1,112,782	1,333,762

Loans upon the deposit of securities constitute a considerable portion of the business of the Bank, but not so large a proportion as in some of the other great banks in Europe. The total of such advances during 1896 was 143,833,690 florins, and the average for the year at any one time was 30,121,-000 florins. The maximum was 43,783,000 florins on January 7 and the minimum was 27,627,000 florins on September 15. The amount outstanding on December 31 was 33,414,900 florins.

The state of the accounts of the Austro-Hungarian Bank indicates that banking in the Empire is still in the primary stage, where loans are made from capital rather than from deposits, and note issues are a necessary adjunct for introducing the use of credit instruments among the people. There are several large banking institutions in Vienna and Buda-Pesth, but they also rely chiefly upon their capital and the proceeds of banking business rather than upon large permanent deposits. The deposit transactions of the Austro-Hungarian Bank reached a total of 3,969,483,159 florins in receipts during 1896, and 3,971,905,213 florins in payments, but the balance of deposits on December 31 was only 10,382,265 florins ($4,200,000). The Bank is used much more largely for the deposit of securities than current cash. Deposits of this sort are received only at Vienna and Buda-Pesth, but they amounted at the former, on December 31, 1896, to 113,410 deposits, valued at 656,920,621 florins, and at the latter to 6,598 deposits valued at 38,964,480 florins. Far the larger portion of these—amounting to 610,150,863 florins at Vienna and 36,737,582 florins at Buda-Pesth—are left with the Bank for management in the collection of interest coupons and other details of administration.

The Mortgage Loan Department.

The Austro-Hungarian Bank is one of the few great banks of Europe which have ventured without risk to carry on a department of long-time mortgage loans, by limiting the proportion of its resources set aside for this purpose and by keeping the service entirely independent of that of the short-term loans which afford the safeguard of the circulation. The mortgage loan department, abolished in 1841, was given a new extension and more definite character by the Imperial resolution of August 20, 1855, and the statutes established under it, which were approved on March 20, 1856. The new law prescribed that loans upon land might be granted in the form of mortgage letters or bonds, which were to be realized by the debtors themselves. The Bank, in other words, did not advance cash upon such loans, but lent its credit for assisting in placing them upon the market. This practice has been modified to the extent that the Bank negotiates the bonds upon the Bourse for a commission of one-half of one per cent., but even under this practice it is at some disadvantage against the mortgage banks which advance cash directly upon mortgages.

The limit of issues of mortgage bonds was fixed by the statutes of 1876 at 150,000,000 florins. The bonds were originally issued at five, four and a half and four per cent., but substantially all of those now outstanding are at four per cent., a little less than a third being for forty and a half years and the remainder for fifty years. Bonds are retired whenever the outstanding mortgages are reduced by redemption. The Bank is exempted from all legal restriction upon interest rates in making its mortgage loans and from all formalities which are not contrary to the laws governing such contracts. Its books are accepted as evidence of a mortgage loan and it is authorized to claim the immediate execution of engagements against a debtor in default with fewer legal difficulties than other claimants. The Bank is authorized, when the payment of interest, capital or annuities is delayed, to make itself good out of any sums or securities in its hands belonging to the debtor on any form of account.

Investments in mortgage bonds of the Bank are permitted in both parts of the Empire by municipalities, corporations, charitable establishments under public supervision, and the trustees of trust funds and guarantee funds. The bonds are admitted to the Bourse, where they are regularly quoted. The Bank does not lend indiscriminately upon all forms of real property, but requires small landed properties to be capable of providing a substantial annual return in agricultural products and that houses shall be strongly guaranteed. Buildings devoted to industrial enterprises, like mills and factories, are not accepted as the basis of mortgage loans, except to strengthen the security for loans upon other property. Buildings upon which loans are made are required to be insured against fire in an Austrian or Hungarian company.

According to the statutes of the Bank, mortgages are granted only for half the value of the realty which is pledged, less the charges with which the property may be already burdened. A committee of the General Council determines the value of the pledge which is to serve as the basis for a mortgage, employing for this purpose judicial valuations, certificates of rent during several years, farming contracts, divisions between heirs, the official valuation, the impost paid upon real property, and the value of property and rentals in the neighborhood.

The borrower has the amount of his loan, after negotiation on the Bourse, transferred to his credit at the Bank, but is not able to draw upon it for thirty days after receiving official notice of the transfer. The borrower may have the amount put to his credit at Vienna or any branch of the Bank, as he prefers. The Bank accepts its mortgage bonds at their face value in the repayment of the capital which it has loaned, but the annuities and interest must be paid in cash, at Vienna or elsewhere, according to the preference of the debtor. The reimbursement of this capital may be effected in whole or in part before the date fixed by the contract, if the payment amounts to enough to cover one or several of the payments contracted for and if the borrower gives notice of his intention and indicates the amount which he proposes to pay at least six months in advance by means of a paper executed before a notary, or if he pays the interest for that part of the period of notification which has not expired. Failure to carry out such a pledge subjects the borrower to the same penalties as failure to execute the original contract.

The mortgage bonds issued by the Austro-Hungarian Bank, and before its organization by the National Bank of Austria, are stamped with the official signature and seal of the Bank and set forth the capital they represent, the rate of interest and the period for which they run, the pledge of the Bank for the capital and interest, and finally the attestation, signed by two commissioners of the Government, that the certificates are the exact representation of the credits of the Bank duly guaranteed and inscribed upon public registers. These certificates are payable to bearer and are provided with semi-annual coupons. The General Council of the Bank determines the rate of issue and their denomination, which cannot be less than 100 florins ($50). The time of their maturity may be fixed by the Council or determined by lot, but cannot be less than twelve months.

The mortgage loan business of the Austro-Hungarian Bank has not grown so rapidly of late years as some other departments, because of the competition of the private mortgage banks. Loans upon landed security have attained less development in Austria than in some other European countries, and in certain regions, like the Tyrol, they have been discouraged by the Savings banks and the clergy. The amount of mortgage bonds of the Austro-Hungarian Bank increased from 39,644,900 florins on December 31, 1863, to 102,514,475 florins in 1877. The increase has been less rapid in the nineteen years which have followed; the total at the close of 1889 having been 103,449,400 florins, and at the close of 1896, 133,483,400 florins. The number of the bonds on the latter date was 84,257, of which 19,989 were for 5,000 florins, 30,124 for 1,000 florins, and 34,144 for 100 florins.

Four per cent. is now the rate of interest upon all except a few matured and unredeemed bonds. The fact that the mortgage business showed a decline in profits of 20,000 florins was made the subject of comment at the General Assembly of the Bank, on February 3, 1897, and it was suggested that the Bank administration consider whether it was not time to make loans at three and a half per cent., as Hungarian institutions of credit had already done, and thereby increase the volume of business. The Chairman explained that there were differences between the mortgage business of Austria and Hungary, but promised to take under consideration the reduction of the rate.

Administrative Machinery of the Bank.

The Austro-Hungarian Bank has been, to a large extent, under the influence of the Government throughout its career, because of the large loans exacted for public purposes; but the direct interference of the Government with the management has not been great. The Governor, under the existing charter, is named by the Emperor upon the joint nomination of the Ministers of Finance of the two parts of the monarchy. His compensation is 25,000 florins ($10,000). There are two Deputy Governors who are appointed by the Finance Ministers of each section from a list of three candidates from each section nominated by the General Council. These Deputy Governors, however, are in the nature of alternates for the Governor, like the Vice-President of the United States. The real working officer of the Bank is the General Secretary, who has his headquarters at Vienna. He has charge of all the ordinary operations of the Bank, the appointment of employees, and the decision of delicate questions of finance, except such general ones as are submitted to the General Council or to the directors. The General Assembly of the Bank, which chooses the General Council, is made up of the shareholders holding not less than twenty shares of the Bank stock. Only citizens of Austria or Hungary are permitted to take part in the General Assembly, and the annual meetings are held in February at Vienna.

The General Council, which meets usually twice a month, consists of twelve members elected for four years. Eight are chosen without restriction by the General Assembly and may be chosen from among the existing members of the Council. The other four are chosen from lists of four each submitted by the directorates at Vienna and Pesth. Persons not members of the

General Assembly may be chosen members of the General Council, but they must qualify by the possession of twenty-five shares and must not belong to any other banking or mortgage credit institution. The Council chooses from its own members an executive committee of four, of whom at least one must be a Hungarian, who supervise the work of the Bank. The presidency of this committee belongs to the Governor by virtue of his office. Two other officials are elected by the General Assembly who are known as censors and perform some of the functions of auditors. Under the direction of the Governor and General Council are separate boards of directors for Vienna and Buda-Pesth, each consisting of eight members besides the Deputy Governor and residing in the city where they perform their services. Each directorate is swelled by the two members of the Council elected as the special representatives for Austria or Hungary. These boards of directors meet weekly, apportion the loanable funds at different branches, and determine the credit to be accorded to large houses doing business with the Bank.

The supervision by the Government is exercised, not only in the appointment of the Governor, but through a special commissioner named by each section of the monarchy, charged with the duty of assisting at the sittings of the General Assembly, of the General Council and of the directorate of the branch to which he belongs, and having the power to suspend a resolution of the directorate until the question in issue is submitted to the General Council. Further appeal is permitted by the Government commissioner to the Finance Minister and from him to a special tribunal of arbitration, composed of members chosen from the judges of the courts. The General Secretary attends to all routine business and is assisted in making discounts by a committee at each of the central offices named by the directors and composed of merchants or manufacturers. The Chamber of Commerce is consulted in the choice of this committee, and the members are sworn to impartiality.*

The net profits of the Bank were a trifle smaller in 1896 than in 1895, but were larger than in 1894. The gross earnings were 11,072,647 florins, which were reduced by running expenses of 4,269,324 florins, to net profits of 6,803,323 florins. The dividend declared in favor of the shareholders was forty-three florins, forty kreutzers, or 7.233 per cent. as compared with 7.367 per cent. in 1895. The existing law gives a dividend of five per cent. to the shareholders, after which four per cent. of the remainder goes to the pension fund. The dividend is then raised to seven per cent., after which the remainder is divided equally between the Bank and the Government. The Government share has not been large and has been applied to the reduction of the advance of 80,000,000 florins made by the Bank to the Treasury. The amount thus applied for 1896 was 205,595 florins, making with the tax due on excess of circulation, 220,914 florins, thus applied and reducing the debt to the Bank to 76,092,545 florins. The proposed new charter reduces this debt arbitrarily, by way of compensation for the privileges of the Bank, to 60,000,000 florins, and the Government is required to pay over to the Bank 30,000,000 florins in gold by way of a further reduction. The sum of 30,000,000 florins remaining due is to constitute a permanent loan free of interest during the continuance

* Noel, *Banques d'Émission en Europe*, I, 423–31. The new charter, now pending, proposes that a new Governor of the Bank shall be named by the Emperor every five years and that the General Assembly shall choose the six Austrian and six Hungarian members of the General Council.

of the Bank charter. A change is proposed by the new charter in the distribution of the profits, by which the Government is to receive half of the excess after the payment of a four per cent. dividend to the shareholders and two-thirds of the excess after the dividend has reached six per cent.*

The real property of the Bank was valued at the close of 1896 at 4,786,421 florins, of which 3,220,000 florins represented the property in Vienna and 1,010,000 florins the property in Buda-Pesth. The Bank has a pension fund of 5,260,395 florins. The number of employees is 694, of whom 350 are employed at Vienna, sixty-four at Buda-Pesth, and 280 at the branches.

THE ECONOMIC FUTURE OF AUSTRIA.

One of the striking features of the economic history of the Austrian Empire during the last few years is the rapid growth in the economic and political importance of Hungary. This growth has led to the desire among the Hungarians for more complete independence in their own affairs, even to the point of a separate financial institution. The value of a consistent system of banking currency, however, has finally persuaded the Hungarian Minister of Finance to concur with the Austrian Minister and with the officials of the Bank in the extension of the Bank charter. A sentimental concession to Hungary is made in the proposed new charter, in the provision that the meetings of the General Assembly shall be held at Vienna or Buda-Pesth, according as the greater number of shareholders entitled to take part are registered at one capital or the other.

The growth of the volume of discounts in Hungary has been so rapid as to several times threaten to overtake the amount at Vienna and the Austrian branches. Back in 1875 the volume of commercial discounts at Vienna was 51,109,319 florins, while the volume at Buda-Pesth was only 16,853,181 florins. The business done at the branches was then of comparatively small importance. The discounts at the Hungarian capital had so far gained upon those at Vienna in 1890 that the latter amounted to 53,253,903 florins while those at Buda-Pesth were 35,688,570 florins. There has been for twenty years little actual growth at Vienna, in spite of some fluctuations. The transactions at Buda-Pesth steadily grew until 1895, when they exceeded those at Vienna by nearly 12,000,000 florins, but there was some falling off in 1896. The discounts of the latter year were 57,114,962 florins at Vienna, 73,447,845 florins at Austrian branches, 53,219,460 florins at Buda-Pesth, and 33,809,896 florins at Hungarian branches.

Some difficulty has been experienced in Austria-Hungary by the withdrawal of the small notes of the Government in advance of the actual circulation of gold coins. An elaborate inquiry was recently set on foot by the Society of Austrian Economists at Vienna regarding the best means of strengthening the gold standard, putting gold in circulation and raising bank notes and paper money to par. The country has become so accustomed to paper money that, in spite of the coinage of silver of limited legal tender power, there is much disinclination to carry silver to the amount of ten or twenty crowns in order to make change for bank notes of ten florins. The system of postal Savings banks, which transfer small amounts of money between different places by a form of check, has met in some measure the demand for means of exchange, but these means prove insufficient in many

* London Economist, March 20, 1897, LV, 421.

cases in the absence of the full extension of the use of instruments of credit. It would seem that this demand for a circulating medium would prevent any serious pressure upon the Bank for gold and would permit the full resumption of gold payments. Much timidity still exists, however, on this subject and a variety of opinions was expressed by the prominent financiers and students who replied to the questions of the Society of Economists.

The effect of the outstanding issues of Government paper is still feared, although they have been reduced from 312,000,000 florins four years ago to 112,000,000 florins at the present time. There is fear also that the exchanges may turn against Austria and drain her of gold and that the complications of European politics may at any moment force her into a war, which will have the effect of previous struggles in undoing the work of her most enlightened financiers for the restoration of gold payments.* Indeed, all through Austrian financial and commercial society, in spite of the brave steps taken in 1892, still reign the self-distrust and feeling of financial weakness which are the results of many years of the disease of Government legal-tender paper, described long ago by Prof. Sumner, with special reference to Austria, as "an invalid state with occasional fever." With a vigorous demand for a more ample circulating medium, with a great store of gold, and with the record of a most creditable resolution to restore the public finances to a sound basis, Austria continues to reap, as the United States has done during the past four years, the belated fruits of the seeds of financial fever which were planted in her system many years ago. CHARLES A. CONANT.

* A. E. Horn, in "*Journal des Economistes*," March, 1897, LV, 395-99.

PROPOSED CHANGES IN HAITI'S FINANCES.—Minister Powell writes from Port au Prince under a recent date substantially as follows:

"A proposition is now pending before the Chamber of Deputies to consolidate the several debts of the Republic into one national debt, destroy the paper money in use, and substitute a gold currency based on the United States gold dollar as a unit of value. The Government will endeavor to secure a loan from some large banking houses in the United States to the amount of $6,000,000, the rate of interest to be six per cent. per annum. The present debt consists of: (1) Debt contracted under President Domingue (interest at five per cent.), $4,220,152; (2) debt due from 50,000,000 franc loan (interest at six per cent.), $9,300,000; (3) debt converted and consolidated (five per cent.), $4,205,050; (4, 5, and 6) bonds not convertible, bonds accepted for customs, and treasury bonds (six per cent.), $1,341,451; (7) other treasury bonds (seven per cent.), $922,538; (8) $5 bills issued by President Legitime, to be paid at eighty per cent. of their face value (gold), with interest at twelve per cent., $6,373; ((9) paper money in circulation, $3,873,-539; current loans, $3,006,650; total amount of debt, $26,875,784.

The Government hopes by means of the loan to reduce the present high rate of premium (now 180 per cent.) and raise the value of the bonds. The interest on these bonds is to be paid in gold at the above-named rates. The present rate is five per cent., payable in Haitian paper currency, which is a legal tender for all dues collected by the Government through the customs. The rate of exchange is controlled by two or three bankers who loan money to the Government at a high rate of interest—eighteen per cent. per annum."

THE PRESENT MONEY REFORM OF AUSTRIA-HUNGARY.

History often repeats itself, and since there is a movement of the free silver men who try to force their views upon this country, it is well to recall as a warning the story of the disastrous experience of the Austro-Hungarian Monarchy with respect to its currencies.

Frequently during the last century the very existence of the Vienna Government was menaced, and the danger did not pass away until the monetary system was brought to a fundamentally sound basis. This wise and necessary reform was brought about by the joint action of the two Governments of Austria and Hungary, which actually established three years ago the much desired and long needed gold standard.

Prior thereto, or from 1857, the Monarchy had maintained a combined bank note and silver currency and was thus kept at a great disadvantage compared with other European countries which had adopted the gold standard long before.

In course of time it had become quite apparent that both states, being united by political, commercial and financial ties, could not sustain any longer the deficiencies and losses arising from the inferiority of their former money system that at all times had been detrimental to the wealth, the credit and the commerce of the nation.

The financial history of the Danubian Empire therefore most forcibly serves as a warning example, pointing out what perils other states would invite by introducing free and unlimited coinage of silver.

What results such an experiment would produce may be inferred by reference to an official report of the Treasury Department in Vienna, which explains the experience Austria had with silver, as follows:

"Throughout all the years since 1857 the population of the Empire was forced to pay heavily on exchange for silver and the premium for gold was proportionally excessive. The price of silver in London, which had begun to shrink in an abnormal ratio since 1873, was at the end of June, 1878, for a demand draft from Vienna £10, 5s., 2¾d., per 117 florins twenty-two kreuzer. This was the first striking instance that the price of the Austrian currency was a higher one than that of the metal. This has since repeated itself often, and Austrian speculators took at once advantage thereof by having florins coined from their own bullion. When at last a silver inflation was menacing, the Governments of Vienna and Buda-Pesth felt compelled to protect their currency by prohibiting in 1879 a further free coinage of silver, a measure which had likewise been adopted by countries belonging to the Latin Union. This exempted simultaneously the Austro-Hungarian National Bank from the statutory obligation to exchange upon demand silver bullion with forty-five florins in notes for one pound of silver.

While, for instance, the mintage of hard coin in *one* of both metals, viz. in silver, was prohibited, the other metal, gold, remained unchanged and formed thus an entirely rational basis of monetary trading, which in this manner continued its regular relation to the international market of money and precious metals. The entire circulation of standard money, be it silver or notes guaranteed by metal, or notes not guaranteed, had, according to the international silver market, lost its former value, and its rating became simply dependent upon business complications of the most intricate and serious nature. It was money based upon credit. Consequently the currency of the Monarchy had on account of the inhibition of free coinage of silver, not to pass through that depreciation and price fluctuations, which in case of the maintenance of free coinage would have prevailed in accordance with the fluctuations of the price of silver. In comparison the currency of British India, where silver currency has remained *de facto*, proves absolutely an entire accord with the fluctuation of the price of silver on the world's markets and of the quotation of the Indian currency money, the rupee. From 1871 to 1887 silver and rupee fell about twenty-five per cent. in value. On the contrary the Austrian currency, from 1871 to 1889, took part in quickly changing fluctuations at an average reaching sixteen per cent., but it never experienced a depreciation as silver did."

The gold standard was decreed for Austria-Hungary in August, 1892, but it will of course take some years before the "*Krone*" (crown) has been duly established at large. As a considerable amount of the old florins is to-day still in circulation, and as the gold reserve has not reached its statutory point, about three per cent. premium has yet to be paid for gold.

Of the new money twenty crowns are equal to 4.0526 dollars. By law only the free coinage of these twenty crown gold pieces is permitted to the public. One twenty crown piece contains 6.09756 grammes of gold and weighs, as one-tenth of copper is added as alloy, 6.775067 grammes.

Mr. Gresham, quondam English Mint Director, made the striking remark, that "bad money would drive out good money;" that is, wherever a standard currency exists besides a currency subjected to fluctuations, the full-valued money will be exported for profit. Austria had to go through such a sad experience, and thus was her depreciated currency to a great extent responsible for constant hard times.

In Austria the ratio ranged proportionally from fifteen to nineteen in the various periods of silver issue, but as the state had practically no gold currency of its own, this had to be calculated on the basis of foreign exchanges. The natural results of the uncertainty of the value of the coinage brought it about that at times five per cent. loans were raised to fifteen per cent. In such poor circumstances were the Austrian finances at times that the Treasury in Vienna could not keep the silver coins within the country. This is a good proof of the correctness of the afore-mentioned remark, that bad money would drive out good money.

Millions of the old Maria-Theresa Thalers, for quite a period the best money Austria had, have remained as currency in the Levant and Abyssinia. Ivory and slaves have been bought with them, and in fact this coin was the actual medium of barter wherever the Arabian trader came to penetrate. At the present time though this ancient coin is gradually being superseded by the coinage of the Congo Free State.

Formerly the Austrian silver coins were seen just as frequently in the Eastern Asiatic trade, but the Chinese and Malays have long since become aware of the cheapness of silver as well as their eastern neighbors, and the cheap and purer Mexican dollar has taken the place of the clumsier Austrian coins. The bulk of these old financial tokens have, however, never returned to Austria again. If so, however, it would have been a double loss.

The financial difficulties of Austria were in fact perpetual ones after the Vienna Congress in 1809, and all endeavors to improve the situation proved fruitless until recent years. From 1809 until 1848 the Government had tried to change the paper currency into a silver currency, when the great revolutionary tide destroyed all thoughts of reform. The Vienna Government owed at that time forty-seven millions of florins to the Austrian National Bank, and the silver coins became so scarce that their export was prohibited by law and the paper florin given a compulsory par value.

In order not to lose its entire credit the Government had to mortgage the salt works at Gmunden, Aussee and Hallein (in Austria salt is a state monopoly) for 111,500,000, and as the demands upon the State were steadily increasing because of the maintenance of two strong armies against Hungary and Lombardy-Venetia, new paper money had to be issued, even in scrip as small as ten kreuzers.

After the restoration of peace new attempts were made for changing the currency into the silver standard; the premium paid upon the white metal in London was then, however, too high: 1849, 13.85; 1850, 19.82; 1851, 26.05 and 1852, 19.45 per cent. premium was paid. The state paper debt had steadily increased. At the end of the revolutionary disturbances it amounted in 1849 to seventy-one millions, and at the beginning of 1854 to more than double that amount, viz., 150 millions. It became apparent that such an enormous increase of partly imaginary or fiat money would undermine the credit of the state entirely.

Therefore the printing of forced currency scrip was stopped, and in March, 1854, all types, lithographic stones, steel engravings, etc., employed in its manufacture, were destroyed by the Government.

The first attempt to secure an improved money system on a silver basis was frustrated through the Oriental disturbances when custom duties had to be paid in silver. The Government had to pay them for the loans contracted with the National Bank over five millions of florins annually, while the profit derived from the state domains did not even amount to three and a half millions.

The year 1858 brought the first actual relief when the forced paper currency was abolished and all paper money ordered to be withdrawn from circulation. The notes were declared legal tender and they had to be secured by a deposit of an actual third of silver or gold in the National Bank; the balance of two-thirds had to be guaranteed in State bonds. The metal system instituted for the new state of affairs was: one florin to be the forty-fifth part of one pound of silver. At the end of 1858 the National Bank held in silver bullion 103½ millions and 388½ millions standing out in bank notes. Of the latter there were 100 millions covered by the mortgages in state domains; so that one-third of the outstanding notes was virtually covered by white metal. The prospects, now very favorable and promising, changed almost with the words spoken by Napoleon III, on New Year's day, 1859. Austria was dragged into a new war, and the National Bank had to be once more relieved of the obligation for payment in silver for the new war loan of 200 millions of florins. Besides a loan of £3,000,000 was contracted in London. The silver premium increasing from par to 53.20 per cent. through the war year of 1859, reached an average of 22.16 per cent. Silver went then as high as 62 1-16 pence per ounce standard. The war had cost Austria not less than 137 millions and the deficit reached eighty-four and a half millions.

With the restoration of peace the necessity of straightening the financial affairs of the Empire became apparent at once, and the Government appointed for the purpose a permanent "board of redemption of public debt." Through the arrears of taxes in Hungary amounting to thirty millions for the years 1862 and 1863, the general uneasiness increased and the silver premium retained its enormous figure. It advanced to 50.03 per cent. and averaged 41.25 per cent. during 1861. In procuring the silver necessary for coinage the financial department of Austria lost for that one year not less than twelve, and in 1862 ten, millions of florins. From year to year the budget of the state showed a deficit, and consequently the state loans increased steadily and heavily, and all new taxes levied upon the merchants, lawyers, bankers and the people in general could not relieve the situation, which grew still graver as time passed.

At the end of 1861 the National Bank had an actual silver reserve of ninety-nine millions and the circulation of bank notes had reached 469 millions. At that time the financial peril of the Empire was discussed thoroughly in Parliament, and Mr. von Plener, at that time Secretary of the Treasury, said: "The abolishment of the calamity of the discount of our bank notes, which is detrimental to sound financial standing, would restore the reputation and power of the Austrian name. The depreciation of our currency was caused by an immense multitude of bank notes for which could not be provided a proper and sufficient redemption in the best metal possible."

After the question was fully discussed in Parliament and decided upon by the Government, a new contract was made with the National Bank, by which the former was given until 1866 to repay 137 millions of a total debt of 221 millions.

But once more it was shown that good intentions were of no avail, for the commercial crisis of 1864 and the wars with Denmark, and in 1866 with Prussia and Italy, brought about the old and deplorable state of affairs. Loan after loan was needed by the bankrupt State of Austria and forced currency for paper money ruled throughout the Empire. Small scrip printed again and in haste was given out in large sheets, and the people had to cut off what they needed. For a loan of ninety millions of florins in gold contracted in Paris, the Government received but sixty-one and a quarter per cent. in exchange, and for a loan of sixty millions the Government had to mortgage its forests, and when peace was restored again an indemnity of war of twenty million thalers (one thaler equal to seventy-five cents) had to be paid to Prussia.

Austria had then suffered to the greatest extent. Her expenses during 1866 amounted to 729 millions and her income to 472 millions only. The silver premium during the wars went up to forty-one per cent. and at the end of the year 1866 it was still thirty per cent.

When in the year following the unlucky war Hungary gained her independence, the joint Governments of the Empire and the Kingdom decreed the re-establishment of the gold standard to take effect at a proper time in future. In 1871 the Bank Institute of the two Governments of Vienna and Buda-Pesth which had then been named the "Austro-Hungarian National Bank," had accumulated a gold reserve of thirty millions of florins, and when in the same and in the following years silver in London reached 60 1-16 to 61⅛ pence, Austria exchanged the greater part of her silver for gold. She continued to do so. In 1878 her gold reserve amounted to more than eighty millions of florins. As Germany through the gold standard became more and more predominant in the international market of precious metals, and as the Austrian manufacturers and merchants could not compete on account of the losses of exchange and premiums paid here and there, and as further the maintenance of the triple alliance devoured immense sums, the financial administration of the Monarchy hastened the change to the gold standard.

Austria felt the consequences of constant financial disturbances and indebtedness and was thus twice driven into bankruptcy. From paper she changed to unsecured forced currency, then to silver, and from the latter two to the yellow metal. This was the natural course to stability and safety.

The Danubian Government has thus by bitter experience become a master of the science of finance and would not for a moment entertain the suggestion of returning to the free coinage of silver. As well as in the United States there are sound money men all over the civilized world who not only believe, but know, "that the basis of sound trade is sound money." Gold means confidence in state and commerce, and a man whose labor is his capital should stand for gold as his best friend.

OTTO P. EBERHARD,
Late Austro-Hungarian Vice-Consul.

NEW YORK.

AN INTERNATIONAL BANK.—At the convention of the Board of Trade and Transportation, held in New York on October 15, Wm. H. T. Hughes, of New York, spoke in favor of the establishment of an International American Bank for the transaction of business with South American countries. Extracts from Mr. Hughes' address follow :

"Our commerce with the countries south of us is, with but very few exceptions, financed through London. Every pound of raw material imported, and every manufactured article exported, pays more or less tribute to the London banker, who sits contentedly in his luxurious bank parlor and makes a handsome living out of the American people, because they do not know enough or have not enterprise enough to do their own banking.

Why is it that we do such a small share of the business of this hemisphere? While we buy about a quarter of their products, we only sell them about ten per cent. of their imports and allow Europe to have the lion's share of the business; because, while our European neighbor has ample means of transportation and ample banking facilities at his command, we have virtually none. If an American merchant wishes to go out and study the markets of South America, he must, if he wishes to do so with any regard to his personal comfort, go and come *via* Europe. If he wants money to buy goods out there, or even to pay his travelling expenses, he must carry a letter of credit from a foreign banking house in his pocket. Everything must pay tax to Europe. The establishment of the International American Bank would greatly assist in the development of our trade by giving facilities to merchants and manufacturers, by promoting the establishment of steam communication and by the establishment of agencies in the several republics south of us, which would be more beneficial to commerce than a dozen consulates or legations; by enabling our merchants to get direct and reliable information as to the standing and credit of their correspondents—in fact, the functions of the bank, tersely put, would be to promote commerce.

The opponents of the scheme claim that London is the banking centre of the world, and that it is useless to attempt to divert the natural course of banking and trade. I will admit that London is to-day the banking centre of the world, and the clearing-house of the commerce of the world, but that is no reason why it should always be so. There was a time when we could not build a railroad in this country without first consulting the bankers of London as to ways and means, but it is not so to-day. There was a time when London ruled our New York Stock Exchange, and prices went up or down in sympathy with London. It is not so to-day. Why may not Greater New York, with the aid of her many enterprising citizens, become first the clearing-house of the business of this hemisphere, and later on, the clearing-house of the commerce of the world?"

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

DEPOSIT WHEN BANK INSOLVENT—KNOWLEDGE OF OFFICERS—RIGHTS OF DEPOSITORS.

New York Supreme Court, Special Term, Kings County, July, 1897.

STAPLETON *vs.* ODELL.

One may reclaim property deposited in a bank which is guilty of fraud in that he who received the deposit knew the bank to be then insolvent, unless such deposit is in the hands of a *bona fide* holder.

In view of Pen. Code, § 601, providing that one who receives a deposit for a bank, which he knows is insolvent, is guilty of a misdemeanor, proof merely of the insolvency of the bank when a deposit was made does not justify an inference that the officers and directors knew of such insolvency, so as to permit the depositor to recover back the deposit as for fraud of the bank.

Within three months before a bank was closed by the Bank Superintendent, its stock was sold largely above par, and within one month thereof the Superintendent's examination showed a large surplus. On the day of such closing all the directors had their usual balance on deposit, and held as much stock as ever, and they testified that the closing was unexpected, and that they supposed the bank was solvent, and the Superintendent testified he thought the bank was solvent when he closed it. *Held*, that though the bank in fact was insolvent, its officers and directors were not shown to have any knowledge thereof.

DICKEY, *J.:* Although the amount involved in this case is small, the case is an important one, as many other depositors of the Murray Hill Bank deposited money in the bank near the time of its final closing by the State Bank Superintendent, and if this plaintiff is entitled to recover the $310 deposited by him on August 10, 1896, so are all the others in like situation, making, in the aggregate, a large amount. It seems to be now well settled that if a bank receives deposits of money, drafts, or checks after knowledge of its insolvency by the officers or agents in charge thereof, the bank is, in a legal sense, guilty of fraud. While the effect of a deposit in a solvent bank is to vest the title of the thing deposited in the bank upon the implied contract that it shall repay the amount upon the checks of the depositor, yet, if the bank be chargeable with fraud in receiving the deposit, the depositor may, on discovering that fact, rescind the contract, and reclaim the property, unless it has in the meantime passed into the possession of a *bona fide* holder. (*Breweries Co.* vs. *Higgins*, 79 Hun, 250; *Cragie* vs. *Hadley*, 99 N. Y. 131 ; *Printing Co.* vs. *Loomis*, 45 Hun, 93; *People* vs. *St. Nicholas Bank*, 77 Hun, 159.)

Pen. Code (section 601) provides :

"An officer, agent, teller or clerk of any bank, banking association or Savings bank, and every individual banker * * * who receives any deposits, knowing that such bank or association or banker is insolvent, is guilty of a misdemeanor."

The plaintiff, in his complaint, not only alleges insolvency of the bank on August 10, 1896, but also alleges it was insolvent to the knowledge of the officers and directors thereof. Counsel for the plaintiff now contends that it was not essential for him to prove, or the court to find, this knowledge on the part of the directors; that they may be found guilty of fraud on the mere proof of insolvency, and their knowledge of the bank's insolvency must be inferred from the fact of the insolvency itself, as evidenced by the closing of the bank by the State superintendent. I have not been referred to any authority sustaining this proposition. On the contrary, the Court said, in *People* vs. *St. Nicholas Bank* (77 Hun, 159):

"From the circumstance that the Superintendent of Banks properly closed a certain bank on a certain day no inference can be drawn of knowledge on the part of the officers thereof of the bankrupt condition of the institution which would make it a fraud for them to receive deposits."

All the cases in the books unite in the determination that in cases of this character, where there is an attempt to rescind the contract on account of fraud, guilty knowledge must be shown on part of the officers.

In *Atkinson* vs. *Printing Co.* (114 N. Y. 168), the bank was, to the knowledge of its President and Cashier, insolvent; hopelessly so. In *Cragie* vs. *Hadley* (99 N. Y. 131), the bank was irretrievably insolvent. Its drafts had gone to protest the day before. Of this the President, to whom was intrusted its entire control and management, had full knowledge, and presumably its other officers and agents, and the bank had apparently given up the struggle to maintain its credit before the deposit was made. So, in all other cases where recovery was confirmed; because the fraud of a corporation must necessarily be the fraud of its agent. As the Court says, in *Cragie* vs. *Hadley* (99 N. Y. 131):

"A corporation may be, in a legal sense, guilty of a fraud. As a merely legal entity it can have no will, and cannot act at all, but in its relations to the public it is represented by its officers and agents, and their fraud in the course of the corporate dealings is in law the fraud of the corporation."

In the case of *Printing Co.* vs. *Loomis* (*supra*) the case of fraud on the part of the banker is well stated:

"If he is in an irretrievable condition of insolvency, so that he knows, or has reason to suppose, that he cannot meet the engagements he assumes when he takes the funds of his customers deposited to be placed to their credit, the transaction may involve an implied representation or concealment which characterizes it as fraudulent on the part of the banker."

The Court further says:

"Mere insolvency does not necessarily render the receipt of money by a banker fraudulent; but insolvency which is hopeless and irremediable, and renders him liable to shut his doors at any moment, makes it improper for him to continue the business of taking deposits, without notice of his situation to customers."

In this case the Murray Hill Bank had been fairly prosperous. Its stock had sold at four to one. The directors themselves had bought stock in recent years. One of them paid three to one for some of it within a year of its closing. Its stock had sold at auction for 140 within three months of its failure. The examination of the Bank Superintendent in June, 1896, showed a surplus of $80,000 after charging off $85,000 of doubtful paper. As the capital stock was $100,000, the appearance was that there was $180,000 to meet any possible deficiency. The bank had never defaulted. None of its paper had gone to protest. When it was closed by the Bank Superintendent on August 11, all the directors had money on deposit—their average, usual balance. None of them had drawn money in anticipation of any financial trouble on the part of the bank. The directors deposited money up to the time of failure. One of them had $3,000 in hand, and ticket made out to deposit it, on the morning the bank closed. They all held as much stock as they ever had held, and they all testify that the closing of the bank was entirely unexpected to them; that they supposed it was entirely solvent; and, if permitted to do so, they could have, by nursing their assets, run along, and paid their entire indebtedness. The Bank Superintendent testifies that he closed the bank, not because of its then insolvency, but because they did not have the legal cash reserve on hand, and, in his opinion, it was not safe for them to continue any business, although he believed at that time the bank was solvent. He further says that he told the directors that they must raise $100,000 additional in cash to be permitted to continue business, and he reduced this to $50,000, but required that they raise it that day, and, as they were unable to comply with his demand, he closed the bank. It appears the closing of the doors of the bank was as sudden and unexpected to the directors as it was to the depositors. It is now apparent that the bank was then solvent, but there is no proof before me to justify the finding that its officers knew of its insolvency, and, in the absence of such proof, and in the face of the fact that there is so much proof to the contrary, and of their entire good faith, I cannot find them guilty of such knowledge, or of the fraud charged in the complaint. Fraud must be proven; it cannot be guessed.

This is a question as to whether assets of the bank shall be distributed ratably among all the creditors, or whether some shall have a preference over others. None should have a preference unless clearly entitled to it. I think this plaintiff should only share in equal proportions with the other depositors. Complaint dismissed on the merits.

Complaint dismissed.

FORGED CHECKS—EXAMINATION OF ACCOUNT.

Supreme Court of Tennessee, March 31, 1897.

POLLARD *vs.* WELLFORD.

A depositor has the right to assume that the bank, before paying his checks, will ascertain the genuineness of the indorsement, and no duty is imposed by law upon the depositor to examine his canceled checks returned with a view to detect forgery in the indorsement.

McALISTER, *J.* (omitting part of the opinion): The law is well settled in this State that a check drawn in favor of a particular payee or order is payable only to the actual payee, or upon his genuine indorsement; and if the bank mistake the identity of the payee, or pay upon a forged indorsement, it is not a payment in pursuance of its authority, and it will be responsible. The proof in this case is clear, and that the indorsement of S. C. Toof upon the check was a forgery, and counsel for the bank do not gainsay its liability if there is nothing else in the way. Their insistence, however, is that complainant, Pollard, is not entitled to a decree against the bank, because his own negligence was the approximate cause of the loss to the bank. The negligence of Pollard is alleged to consist in the following facts: That complainant's transactions with Ward covered a period of about a year and a half; that during this period he had turned over to Ward, from time to time, thirty-five checks, all payable to the order of S. C. Toof; that thirty-two of those checks had been paid on indorsements exactly similar to the indorsements on the checks in suit, and all of which complainant alleges were forgeries; that during this time his account had been balanced three times, but Mr. Pollard testifies that, notwithstanding his account had been rendered him by bank, he never examined it until after this litigation arose. He further testifies that he knew Mr. Toof's signature, and that the signatures on all the checks were forgeries, except possibly two of them.

The argument is that complainant, Pollard, knew Mr. Toof's signature; and, if he had examined the thirty-two checks when they were returned to him with his stated accounts, he would have discovered the forgeries that were being committed, and would have saved the bank from the loss of the present checks.

It is therefore insisted that, under circumstances like these, the failure of Pollard to examine the statements of his accounts and the canceled checks attached thereto was such negligence as will defeat a recovery.

We think this position untenable. There had been no loss to Pollard or to the bank on account of the thirty-two checks, and hence there was no cause to challenge an inspection of Toof's indorsements of those checks.

We cannot see that any duty is imposed by law upon a depositor to examine his canceled checks when returned, with a view to detect forgery in the indorsements, as stated to the New York court of Appeals in *Welsh* vs. *Bank* (73 N. Y. 424). A depositor has the right to assume that the bank, before paying his checks, will ascertain the genuineness of the indorsement.

PRESIDENT OF NATIONAL BANK—AUTHORITY TO RELEASE DEBTS.

Court of Civil Appeals of Texas, March 28, 1897.

FARMERS' NATIONAL BANK *vs.* TEMPLETON.

The President of a National bank has power, by virtue of his office, to compromise or release a debt due the bank.

STEPHENS, *J.:* This was a suit by appellant against appellees on their negotiable promissory note for $700. The defense was a release of the debt made by the President of appellant bank, in consideration of a quit-claim deed from appellee Templeton to real estate in Wichita Falls. Want of authority to make such release was pleaded by the bank in avoidance of the release, in reply to which ratification by the bank was alleged.

The only evidence of authority in the President of the bank was such as he had *virtute officii.* This was not sufficient to warrant the submission of that issue to the jury, and the error assigned to the charge upon that ground requires a reversal of the judgment. If usage or the course of business had conferred such authority, it should have been put in evidence. In the absence of such usage or authority otherwise derived from the board of directors, the powers of a bank President go little beyond those of any other individual director. (*Bank* vs. *Eustis* [Tex. Civ. App.] 28 S. W. 227; Morse, Banks, §§ 143, 144.)

The power to compromise or release a debt, which is not an ordinary transaction, involves the exercise of the discretion that properly belongs to the board of directors, and not (in the absence of an express or implied delegation of such power) to either the President or Cashier or any other merely executive officer of the bank. (Morse, Banks, §§ 143, 144, 159e.)

The case of alleged ratification rested upon notice to the Cashier of the compromise, with apparent acquiescence on his part, and the failure of the bank to tender a reconveyance. If the Cashier had no more power in the first instance than the President, it is not perceived how his knowledge and acquiescence, which, however, was denied by him, could bind the bank.

The failure to tender a reconveyance was explainable, in that the bank had purchased the property at trustee's sale, and taken a conveyance before the quit-claim deed was made. The evidence, however, probably raised the issue of ratification, but whether it was sufficient to sustain an affirmative finding on it we need not now decide. Additional evidence may be produced on another trial, both upon this issue and that of the President's power, on account of usage and the previous course of business, to release the debts. Without further remarks, therefore, we reverse the judgment, and remand the cause for a new trial.

On Rehearing (Jan. 16, 1897): Appellees did not favor us with a brief upon the original hearing in this cause, but in support of the motion for rehearing now cite for the first time the case of *Bank* vs. *Emery*, (78 Tex. 498), which we overlooked, and contend that, while the weight of authority elsewhere is opposed to this case in the construction of the power of a bank President, it should, nevertheless, be followed by this court, citing also criticisms of Mr. Thompson in his late work on Corporations (§ 4617, to which we add § 4620) upon the two lines of construction.

While the decision in the case cited was not placed entirely upon the ground that the President of the bank, as matter of law, had the authority to do what was done in that case, but also upon the ground that he had such authority in fact, the opinion of Justice Henry distinctly holds that he had such authority, both as a matter of law and in fact; and we conclude, therefore, that we ought to conform our decision to that holding, the power exercised in that instance by the President of the bank being substantially the same as that exercised in the case at bar.

We therefore grant the rehearing and affirm the judgment.

PROMISSORY NOTE—ATTORNEY'S FEES—KNOWLEDGE OF CASHIER.

Supreme Court of South Dakota, April 6, 1897.

NATIONAL BANK OF COMMERCE OF PIERRE *vs.* FEENEY.

Under the law of South Dakota, a provision in a promissory note for an attorney's fee is void, and does not affect the negotiability of the note.

Where a bank discounts paper for a firm of which the Cashier is a member, the bank being represented in the transaction by other officers, is not affected by the knowledge of the Cashier with respect to such paper.

This action was based upon a chattel mortgage executed by Clough, Ledwick & Co., to secure the payment of two promissory notes executed by the firm to the defendant, and which notes and chattel mortgage were transferred by defendant to the plaintiff before maturity for value.

CORSON, *P. J.:* The defendant contends the notes are non-negotiable for the following reasons: (1) Because they provided for the payment of reasonable attorney's fees in case these notes should be collected by action. * * * The first contention is disposed of by the decision in *Chandler* vs. *Kennedy* ([S. D.] 63 N. W. 439), in which this court held a provision for attorney's fees is void, and does not affect the negotiability of the note.

The defendant further contends that, if the notes were negotiable, the plaintiff took them subject to any defenses, for the reason that one Adolph Ewert, who was one of the firm of Clough, Ledwick & Co., was also Cashier of the plaintiff bank at the time the notes were transferred to the bank; that Ewert as a member of the firm was charged with knowledge of all defenses to the notes, and, as Cashier of the bank, his knowledge as a co-partner was chargeable to the bank. That he was a member of the firm of Clough, Ledwick & Co., and also Cashier of the bank, is not disputed; but it was shown by undisputed evidence that, in discounting the notes, Ewert acted for his firm, and did not act as the Cashier of the bank. The bank, in discounting the notes, acted entirely through its discount committee, of which Mr. Ewert was not a member.

The plaintiff therefore contends that, under such a state of facts, the knowledge of the Cashier is not imputed to the bank, and that the case does not come within the rule laid down in *Bank* vs. *Kellogg* (4 S. D. 312); *Stebbins* vs. *Lardner* (2 S. D. 127); *Farmers & Traders' Bank* vs. *Kimball Milling Co.* (1 S. D. 388).

The authorities recognize a marked distinction between cases where a Cashier not only acts for himself, but also as such Cashier, and cases where the person, though Cashier, acts for himself only, or for a firm of which he is a member, and the corporation is represented in the transaction by other officers. In the latter cases the knowledge of the Cashier is not imputed to the bank.

The law upon this subject is thus stated in the late case of *Bank* vs. *Lovitt* (114 Mo. 519):

"An officer of a banking corporation has a perfect right to transact his own business at the bank of which he is an officer; and in such a transaction his interest is adverse to the bank, and he represents himself, and not the bank. The law is well settled that, when an officer of a corporation is dealing with it in his individual interest, the corporation is not chargeable with his uncommunicated knowledge of facts derogatory to his title to the property which is the subject of the transaction." (*Bank* vs. *Babbidge*, 160 Mass. 563; *Corcoran* vs. *Cattle Co.* 151 Mass. 74; *Allen* vs. *Railroad Co.* 150 Mass. 200; *Wickersham* vs. *Zinc Co.* 18 Kan. 480; *Bank* vs. *Burgwyn*, 110 N. C. 267; *Barnes* vs. *Gas Light Co.* 27 N. J. Eq. 33; *Bank* vs. *Christopher*, 40 N. J. Law, 435; *Bank* vs. *Thompson*, 124 Mass. 506; *Mayor, etc.*, vs. *Tenth National Bank*, 111 N. Y. 446, 18 N. E. 618; *Bank* vs. *Payne*, 25 Conn. 444; *Custer* vs. *Bank*, 9 Pa. St. 27; *Bank* vs. *Savery*, 82 N. Y. 291; *Frenkel* vs. *Hudson*, 82 Ala. 158, 2 South. 758, and cases therein cited; *Innerarity* vs. *Bank*, 139 Mass. 332.)

It is further contended that the court erred in directing the jury to find the value of the property to be $800, as the sum due the plaintiff on its notes and mortgage was $510.50.

PROMISSORY NOTE PAYABLE TO MAKER—TRANSFER WITHOUT INDORSEMENT—LIABILITY OF PERSON INDORSING BEFORE DELIVERY—EXTENSION OF TIME.

Supreme Court of Michigan, April 27, 1897.

PENINSULAR SAVINGS BANK *vs.* HOSIE, *et al.*

A note "payable on demand after date," executed to cover the amount due upon prior unpaid notes by the same maker, is merely a demand note, and does not extend the time of payment for one day, so as to release an indorser on such other notes.

A person, other than the payee, who indorses a note at the time of its execution, and before delivery, is a joint maker.

MOORE, *J.:* The Detroit Motor Company, a corporation, made and delivered to the Third National Bank of Detroit, in renewal of notes then held by said bank, its promissory notes, of the following tenor :

"$10,000.00. Detroit, Mich., Nov. 17, 1892. Two months after date the Detroit Motor Co. promise to pay to themselves or order ten thousand and no-100 dollars, at the Third National Bank. Value received—with interest at 7 per cent. [Signed] The Detroit Motor Company. F. A. Blades, Sec'y and Treas."

Said note was indorsed on the back in the following order: "Detroit Motor Co., by F. A. Blades, Treas. Ellwood T. Hance. T. B. Rayl. J. Huff Jones. W. H. Ellis. W. C. Maybury. Chas. W. Casgrain. F. A. Blades."

"$7,500.00. Detroit, Mich., Oct. 22, 1892. Three months after date the Detroit Motor Co. promise to pay to themselves or order seventy-five hundred dollars at the Third National Bank. Value received—with interest at 7 per cent. per annum. [Signed] The Detroit Motor Company. F. A. Blades, Sec'y and Treas."

Said note was indorsed on the back in the following order: "F. A. Blades. W. C. Maybury. J. Huff Jones. Chas. W. Casgrain. Ellwood T. Hance."

The indorsements were procured before the delivery of the notes to the Third National Bank, and when the notes were received by said bank all the indorsers' names now upon them were then upon them. The notes were delivered to said bank on the day of their dates, respectively. The notes were in renewal of paper which the Third National Bank had paid value for to the Detroit Motor Company. The indorsers were directors of the Detroit Motor Company, and its chief stockholders, and put their names upon the paper for the accommodation of the company. Before either of the notes fell due, and on December 16, 1892, J. Huff Jones died, leaving a will, which was filed in the probate court for Wayne county, with a petition for its probate on December 28, 1892, and admitted to probate January 24, 1893. On the last-named day, Robert Hosie, who resides in Detroit, Mich., and Griffin D. G. Thurston, who resides in Sturgis, Mich., were appointed executors. On that day they filed their bonds, and letters testamentary were issued to them. Before the will was admitted to probate, and on January 20, 1893, the $10,000 note fell due, and was protested for non-payment, in the manner hereinafter specified. The next day after the will was probated, and on January 25, 1893, the $7,500 note fell due, and was protested for non-payment. The executor admits that he received, in due course of mail, notice of the dishonor of Exhibit B, which notice he produced, but denies that he received notice of the dishonor of the $10,000 note, Exhibit A. On the maturity of the notes they were duly presented for payment, and dishonored, and notices thereof were sent in the manner hereafter described. Shortly after the death of Mr. Jones, and before the notes fell due, one of the indorsers, Mr. Hance, mentioned to the Cashier of the Third National Bank the fact of the death of Jones. On April 21, 1893, the Third National Bank took from the maker its note of the following tenor:

"$18,070.31. Detroit, Mich., April 21, 1893. On demand after date the Detroit Motor Co. promise to pay to themselves or order eighteen thousand seventy 31-100 dollars at the Third National Bank. Value received—with interest at 7 per cent. Detroit Motor Co. F. A. Blades, Treas."

Memorandum on face of note: "Two notes, $10,000 and interest, $7,500 and interest, as collateral; indorsed J. Huff Jones and others." Indorsed on back: "Detroit Motor Co., by F. A. Blades, Treas."

Afterwards the Third National Bank transferred the $10,000 note and the $7,500 note to the Peninsular Savings Bank, the claimant, in payment of indebtedness of the Third National Bank to the Peninsular Savings Bank. The note of April 21, 1893, was delivered with the other two notes. By some accident or oversight, when the $7,500 note was delivered to the bank, Mr. Blades, who was the secretary and treasurer of the motor company, failed to indorse the name of the motor company upon the note. Mr. Blades prepared the notes sued upon, and procured the signatures of the indorsers to them. They are made payable to the order of themselves, which Mr. Blades says meant the corporation itself, and in indorsing them he so considered and treated it, as well as in indorsing the note of $10,000. The Peninsular Savings Bank presented to the commissioners on claims in the Jones estate the two notes sued upon, and the commissioners allowed the claim on the notes, one at the sum of $11,896.80, and one at the sum of $8,958.72. Thereupon the executors took separate appeals from the judgment of the commissioners, and in the circuit court a verdict was directed for the estate on each note. The Peninsular Savings Bank appeals.

It is claimed that the giving of the note of April 21, 1893, "payable on demand after date, with interest," gave one day's time to the motor company upon the notes sued upon, and, because of the extension of time, released Mr. Jones. The counsel for the estate has made an able argument in support of his contention, and cited a number of authorities. We understand the rule to be: "The statute of limitations begins to run from the very day the right of action accrues. Thus, upon a note payable so many days from the date, it begins to run from the day of payment, and not from the day of date; but the day of maturity is excluded in the computation of time. If payable at sight, the statute runs from sight. If so many days after sight, or after certain events, then from the time named after sight, or after the events have happened. If the instrument be payable on demand, the statute begins to run immediately. 'On demand after date' is the same as 'on demand.'" (Daniel, Neg. Inst. § 1215.) In *O'Neil* vs. *Magner* (81 Cal. 631) it was held that a promissory note made payable on demand after date is an ordinary demand note, payable at once, on which an action can be brought immediately after it is given. To the same effect are *Turner* vs. *Mining Co.* (74 Wis. 355); *Hitchings* vs. *Edmands* (132 Mass. 338); *Fenno* vs. *Gay* (146 Mass. 118). We cannot agree with counsel that the giving of this note was such an extension of time as to discharge Mr. Jones from liability.

The $7,500 note was made by the Detroit Motor Company payable to itself or order, and was delivered to the Third National Bank without indorsement by the motor company. It is claimed by the counsel for the estate that this note was a nullity. Doubtless it would be at the common law, but we have a statute reading as follows: "Such notes made payable to the order of the maker thereof or to the order of a fictitious person, shall, if negotiated by the maker, have the same effect, and be of the same validity as against the maker, and all persons having knowledge of the facts, as if payable to bearer." (How. Ann. St. § 1580.)

There can be no question, from the record, that all the parties to this instrument knew that it was made for the purpose of taking the place of a note then in the bank that was past due. It is claimed, however, that the "knowledge of the facts" mentioned in the statute must embrace knowledge of the fact that it was to be put in the bank without the indorsement of the payee.

We think such a construction is too narrow, and would defeat the purpose of the statute. A like statute has been construed in other States. (See *Plets* vs. *Johnson*, 3 Hill, 112.) And it has been held, in construing such a statute, that "the facts of which a person must have knowledge in order to give a note efficacy against him, as if payable to bearer, are simply that the note is payable to the order of the maker, or of a fictitious person." (*Bank* vs. *Alley*, 79 N. Y. 536. See, also, *Lowrie* vs. *Zunkel*, 49 Mo. App. 153.)

We think the note was not a nullity, but was a valid note, as to all the parties to it who had "knowledge of the facts."

The inquiry naturally arises, what was the relation of Mr. Jones to this note? Was he a joint maker, or was he an indorser? We have already called attention to the provisions of section 1580, How. Ann. St. Both of the notes were made to be discounted at the bank. The failure of the payee to indorse the $7,500 note was due to an inadvertence. The other note was indorsed by the payee at the time it was made, and it was the intention to indorse both notes. The names of the indorsers were put on the back of both notes before their delivery, and before they were discounted, for the purpose of enabling the Detroit Motor Company to discount them. We have already indicated what we think is the effect of the provisions of the statute upon the first note. It has been repeatedly held by this court that a third person indorsing a note at the time of its execution, and before delivery, is a maker, jointly with the drawer of the note. (*Wetherwax* vs. *Paine*, 2 Mich. 555; *Rothschild* vs. *Grix*, 31 Mich. 150; *Herbage* vs. *McEntee*, 40 Mich. 337; *Moynahan* vs. *Hanaford*, 42 Mich. 329; *Tredway* vs. *Antisdel*, 86 Mich. 82.)

We think J. Huff Jones was a joint maker of both notes. This view of the case makes it unnecessary to discuss the questions growing out of the protest of the notes, as protest was not necessary to make Mr. Jones liable. (Tredway *vs.* Antisdel, *supra.*)

Judgment in each case is reversed, and judgment is entered here in each case for the amount of the respective notes, with interest to this date.

DEPOSIT WHEN BANK INSOLVENT—FRAUD OF OFFICERS IN RECEIVING DEPOSIT—RECOVERY.

Court of Chancery Appeals of Tennessee, May 8, 1897.

HARRIS *vs.* FIRST NATIONAL BANK OF JOHNSON CITY, *et al.*

Where a paper is deposited with a bank upon the representation of its chief managing officer that the bank is solvent, when it is insolvent, and such fact is known to such officer, the depositor may reclaim his deposit, though he has drawn against it for part of the amount.

Where a bank remits to its correspondent a certificate of deposit issued by another bank, which is credited by the latter on account of an antecedent indebtedness, such correspondent is not deemed a holder for value.

The complainant had deposited with the First National Bank of Johnson City a certificate of deposit for $350 issued by the First National Bank of Jonesboro. Just before the deposit was made the President of the bank, who was its chief managing officer, represented to the complainant that the bank was solvent, though at the time such officer knew that the bank was in fact insolvent. At the time the deposit was made the complainant had a small balance of $24.10 to his credit, and he immediately drew a check for $57.90, which was paid, leaving a balance of $317.67. The bank closed its doors a few hours later, but in the meantime the certificate of deposit had been forwarded by mail to the First National Bank of Chattanooga, and on the following day was credited to the account of the Johnson City Bank on an indebtedness owing by it to the Chattanooga bank. The court below found that the certificate of deposit was deposited as cash, and that the title to the same passed to the First National Bank of Johnson City. But the court further held that a fraud had been practiced on the complainant, and that he was entitled to a rescission, and to the proceeds of the certificate of deposit, less the sum of $32.90, the difference between the amount paid complainant on his check of $57.90 and $24.10, the amount of his balance before the deposit.

NEIL, *J.* (omitting part of the opinion): Upon argument considerable surprise was expressed by counsel for the defendant that the court could hold that the title had passed to the First National Bank of Johnson City, and yet that it could not confer such a right upon the First National Bank of Chattanooga, as was held against the complainant, out of whom the title had passed.

The principle upon which the decision goes was clearly enunciated in the case of *Arendale* vs. *Morgan* (5 Sneed, 703). The rules upon the subject were thus stated in the syllabus of that case:

"If a person who acquires possession and apparent title to a slave or other chattel by fraudulent purchase sell or pledge said slave or other chattel to a third person, who, without notice of the fraud, and *bona fide* at the time of the sale or pledge, advances his money or goods to the fraudulent possessor and apparent owner, the original vendor so defrauded cannot recover the property from such innocent vendee or pledgee.

The doctrine of the common law as to sales in market overt has not been adopted in this State. So a sale of stolen goods, or any number of sales, no matter how made, can have no effect upon the title of the proper owner, however innocent the purchasers may have been of any participation in or knowledge of the felony. There is a well-settled distinction between the cases of a possession of goods acquired by felony and fraud.

As to the latter, the consequences are different, so far as respects purchasers from the fraudulent vendee, as in the one case the title passes and in the other it does not. As between the immediate parties themselves, the vendor and the fraudulent vendee, the contract may, indeed, be avoided by reason of the fraud; and upon the demand to have the goods delivered back the vendor will be revested with the title, and may recover the goods from the pretended purchaser, or any one to whom he may have sold them, with knowledge of the fraud. But, if the fraudulent vendee has resold them to a *bona fide* purchaser, before the vendor has signified his dissent from the contract, or interposed to regain the possession, the title of such *bona fide* purchaser cannot be defeated.

And the same rule applies where goods so obtained have been pledged for advance. The pledgee who has made the advance without the knowledge of the fraud has a lien upon the goods for reimbursement as against the vendor so defrauded. But if the goods had been stolen, and then pledged, the pledgee would have no lien upon them as against the owner."

The same doctrine is enunciated in *Hawkins* vs. *Davis* (8 Baxt. 506) and in *Gage* vs. *Epperson* (2 Head, 669). In this latter case the Court said:

"If the defendant, in good faith, made a valid purchase of the goods from Davis, in ignorance of the fraudulent means by which the latter had gained possession of them from the complainant, then, upon the principle of the case of *Arendale* vs. *Morgan*, no action could be maintained against him by the plaintiffs. But, if he received the goods with notice of the fraud of Davis in obtaining them, or under circumstances sufficient to put him on inquiry, or failed to place himself upon the footing of a *bona fide* purchaser, for a valuable consideration paid for them, then, by the very act of receiving the goods under such circumstances, and appropriating them to his own use, he was, in law, guilty of a conversion. And this is so although his pretended purchase may have been before the plaintiff took any step, or made known their determination, to reclaim the goods. Being affected with notice of the fraud of Davis, he was chargeable with knowledge of all the legal consequences of such fraud."

As stated in *Anderson* vs. *Ammonett* (9 Lea, 1, 13): "The protection conceded to a *bona fide* purchaser for value is carefully guarded, for the obvious reason that it operates to the injury of the rightful owner, who may be equally innocent and meritorious. It is surrounded by restrictions, sometimes of a technical or arbitrary character, so as to prevent it from becoming a cloak to fraud. The rule in this State, except when changed by statute, or in deference to statutory policy, has always been that of the English court of chancery, that a prior equity would prevail over a junior equity, and the legal title with notice, or over the legal title of a volunteer with or without notice. And a purchaser, in satisfaction of a pre-existing debt, and, for a stronger reason, an assignee in trust to secure such a debt, have always been treated as volunteers. Accordingly, where a party entitled to redeem land was prevented from redeeming by the fraud of the purchaser, and the purchaser sold and conveyed the land to a third person in payment of a pre-existing debt, the equity of redemption was allowed to prevail over the title of the purchaser. (*Guinn* vs. *Locke*, 1 Head, 111.)

So, the equity of a vendee of land by parol to be paid, upon rescission, the purchase money, or the value of improvements, was held superior to the title of a purchaser of the land in satisfaction of a pre-existing debt. (*Rhea* vs. *Allison*, 3 Head, 177.)

And the rule that the conveyance of land in payment of a pre-existing debt does not entitle the grantee to protection as an innocent purchaser has been re-enunciated in the recent case of *Jarman* vs. *Farley*, 7 Lea, 141."

So, if the defendant the First National Bank of Chattanooga took the certificate of deposit upon a pre-existing debt, there can be no sort of doubt of the complainant's right to recover its proceeds from that bank; its vendor, the First National Bank of Johnson City, having procured the certificate by fraud. That it was a pre-existing debt is admitted in the answer of the First National Bank of Chattanooga, which says: "The facts in the record and the certificate of deposit, $350.57, mentioned in complainant's bill, so far as this respondent is concerned, was as follows: 'The First National Bank of Johnson City was indebted to respondent on account of overdrafts and advances, on November 12, 1894, in a considerable amount of money.'"

The answer then proceeds to state that the defendant received the draft on November 13 from the Johnson City bank, with the direction to enter the amount to its credit, and it did so. By advance was meant, not money advanced at the time, but money furnished prior to that time.

The argument was made at the hearing of the case that this bank was what was called a corresponding bank of the Johnson City bank, and that in such instances there is a mutual exchange of credits; and sometimes one bank is much indebted to the other, and sometimes quite the contrary; that there are fluctuating balances.

There is nothing of this matter in the proof except that it does appear that the Chattanooga bank was the corresponding bank of the Johnson City bank. Besides this, we cannot take judicial knowledge that the business was of the character stated in the argument.

The record simply shows that the Johnson City bank was indebted to the Chattanooga bank, and that the latter received the deposit as a credit upon that indebtedness.

DEPOSIT WHEN BANK INSOLVENT—FOLLOWING CHECK AND PROCEEDS.

Supreme Court of Tennessee, September 25, 1897.

WILLIAMS *vs.* COX.

A creditor who deposits a check in bank to his credit, known by its officers to be hopelessly insolvent, may reclaim the proceeds thereof, if they can be identified and separated.

On rehearing.

WILKES, *J.:* This case has been heretofore considered by this court, and an opinion rendered, which is reported in 97 Tenn. 555.

After the hearing and decision of the case upon the record as it then stood, and the filing of the opinion of the court, a written request was presented to the court, asking a rehearing, upon the ground that an agreement entered into had been lost from the record. This agreement was to the effect that the Johnson City Bank was hopelessly insolvent when the check for $167.50 on the Assistant Treasurer of the United States was handed to it by complainant on November 12, 1894, and that this fact was well known to the officers of the bank. It is agreed that such is the case, and that the cause be reheard, with the addition of this fact to the original record.

We therefore rehear the case upon the record, with this fact in addition to what was before us on the original trial.

The check having been received by the bank when it was known to be hopelessly insolvent, the complainant, Williams, had the right to reclaim it, or its proceeds, if they could be identified and separated. (*Bruner* vs. *Bank*, 97 Tenn. 545, 546) and cases there cited.

It appears that when the New York bank received and collected this check, the Johnson City Bank had already closed its doors, which it did at noon on November 12, 1894, the same day it received the check, and the New York bank collected it November 14, 1894. (*Williams* vs. *Cox*, 97 Tenn. 557.)

It also appears that, when the Johnson City Bank closed its doors, the New York bank held of its funds, and was indebted to it, $5,644.67; that it afterwards remitted to the Receiver of the Johnson City Bank all of this amount, except $771.82, which it retained, to indemnify itself against certain rediscounts which it had indorsed for the Johnson City Bank. The check in controversy was a portion of the last remittance by the Johnson City Bank to the New York bank before it closed its doors, the total of which was $496.87. (See *Williams* vs. *Cox*, 97 Tenn. 557, 37 S. W. 282.)

It is now insisted that this court will presume that the proceeds of this check were a portion of the $771.62 retained by the New York bank, and not a portion of the $4,873.05 sent to the Receiver of the Johnson City Bank, and hence the fund cannot be traced into the hands of the Receiver, but must be presumed to be in the hands of the New York Bank; that the burden of proof is on complainant to trace the fund, and recover it from the party that had it when he filed his bill, and that, as against the creditors of the insolvent bank, the court will not presume the funds to be in the hands of the Receiver, and fix a prior claim upon them, but will presume the contrary, so as to distribute the funds in the hands of the Receiver pro rata among all the creditors.

There is nothing in the record to show the final disposition of the $771.62 retained by the New York bank to protect itself against its indorsement on the paper rediscounted for the Johnson City Bank. If the paper thus rediscounted was paid, then this fund should, like the $4,873.05, have been returned to the Receiver of the Johnson City Bank. Indeed, it admits of serious question whether the New York bank, after the insolvency of the Johnson City Bank, had a right to withhold this $771.62, or any other funds of the Johnson City Bank, for its indemnity, in the absence of any agreement previously made to that effect, and such agreement is not shown.

But, however that may be, it had no right to retain the proceeds of this identical check for that purpose, inasmuch as it did not receive and collect it until after the Johnson City Bank closed its doors; and we cannot presume that it did retain these proceeds, but, rather, that it retained other funds of the Johnson City Bank, which it had previously received, and held for general account of that bank.

As said in *Bruner* vs. *Bank* (97 Tenn. 545):

"All checks received by the New York bank after the Johnson City Bank closed its doors should have been kept separate, and accounted for to the Receiver, for the true owners, and not credited to the Johnson City Bank; and such credit, if given, could not prejudice complainant's right to rescind his contract for the fraud of the Johnson City Bank, and to recover back the proceeds not credited when the Johnson City Bank failed."

In other words, in view of the fraud of the Johnson City Bank in receiving the check when it was insolvent, and its failure before the check was collected, the proceeds of the check, when collected, were the property of the customer, Williams, and mingling them with other funds of the New York Bank would not deprive him of the right to follow them, and it must be presumed the New York bank remitted the proceeds of that check to the Receiver in the remittance of $4,873.05, and did not retain it.

We are not now considering the right of complainant, Williams, to follow the proceeds of his check into the New York bank, and recover them from that bank. That question is not presented and the New York bank is not a party to this suit. Neither does any question arise as to the right of the New York bank to retain the proceeds of the check to make good any balance the Johnson City Bank may have owed it on account, as the Johnson City Bank did not, when it closed its doors, owe the New York bank anything; but on the contrary, the New York Bank had the funds of the Johnson City Bank on deposit and to the credit of that bank.

We are of opinion that, because of the new fact injected into the record under the agreement that the Johnson City Bank's officials knew of its insolvency when they received complainant's check, he had a right to reclaim it, or its proceeds, and that such proceeds must be held to have come into the Receiver's hands from the New York bank. Judgment will therefore be rendered in complainant's favor for the amount of said check, less the amount received by complainant on it, to wit, $133.83, and interest from November 14, 1894, and all the unpaid costs of this court and of the court below.

RECEIVER APPOINTED BY COMPTROLLER OF THE CURRENCY—CONTROL OF FEDERAL COURT.

United States Circuit Court, District of Washington.

SNOHOMISH COUNTY *vs.* PUGET SOUND NATIONAL BANK OF EVERETT, *et al.*

The assets of an insolvent National bank are not brought under the control or protection of the Federal courts by being taken into custody by a Receiver appointed by the Comptroller of the Currency, nor by the transfer of such assets from the Receiver to an agent of the stockholders.

This was a suit to enjoin an agent engaged in winding up the affairs of a National bank for which a Receiver had been appointed by the Comptroller of the Currency, and to procure the appointment of a Receiver to take charge of its remaining assets. The case was heard on motion to dismiss, and on demurrers to the bill.

HANFORD, *District Judge:* In entering upon the first inquiry as to jurisdiction, we are met by the questions whether the case is removable, and whether it has been removed from the Superior Court of Snohomish County, so as to invest this court with jurisdiction * * * The jurisdiction of Federal courts in civil causes is concurrent with the jurisdiction of State courts, except in cases in which the Federal jurisdiction is made exclusive by some provision in the Constitution or laws of the United States, and I have not been referred to any such provision applicable to this case. The jurisdiction of the Superior Court was not barred by the rule of law that an estate or property in the custody of one court cannot be interfered with by process from another court. The assets of the bank were not brought under the control or protection of this court by being taken into custody by a Receiver appointed by the Comptroller of the Currency, nor by the transfer from the Receiver to the agent of the shareholders.

The decision by Judge MORROW in the case *Stateler* vs. *Bank* (77 Fed. 43, 58), cited by counsel for defendants, upon this point, has been in effect reversed by the Supreme Court of the United States, in an opinion rendered on February 15, 1897, granting a writ of *certiorari* in the same case. *In re* Chetwood (165 U. S. 443). In the opinion by Mr. Chief Justice FULLER the doctrine of the Supreme Court is given as follows:

"It is true, as stated *in re* Tyler (149 U. S. 164, 181, 13 Sup. Ct. 785, 789): * * * 'no rule is better settled than that, when a court has appointed a Receiver, his possession is the possession of the court, for the benefit of the parties to the suit and all concerned, and cannot be disturbed without the leave of the court; and that if any person, without leave, intentionally interferes with such possession, he necessarily commits a contempt of court, and is liable to punishment therefor.' But we do not regard these proceedings as falling within that rule * * * The Receiver acts under the control of the Comptroller of the Currency, and the moneys collected by him are paid over to the Comptroller, who disburses them to the creditors of the insolvent bank.

Under Rev. St. U. S. § 5234, when the Receiver deems it desirable to sell or compound bad or doubtful debts, or to sell the real and personal property of the bank, it devolves upon him to procure 'the order of a court of record of competent jurisdiction'; but the funds arising therefrom are disbursed by the Comptroller, as in the instance of other collections. The circuit court did not have the assets or property of this bank in its possession on July 19, 1890, nor was the leave of that court necessary in order that the Receiver might be made a party defendant to the action instituted by Chetwood on that day.

In the bill filed by Stateler in the circuit court, January 4, 1896, to enjoin Chetwood and the bank, the averment is made that on February 21, 1889, the Receiver filed an application in the circuit court entitled '*In re* Application of Receiver of the California National Bank for the Sale of Personal Property'; and the bill asserts as a conclusion of law that thereby 'the said Receiver submitted himself and the affairs of said banking association to the jurisdiction of this honorable court.'

The application thus referred to is not made part of the return to the rule, but from the averments of the bill in regard to it, and from the terms of the National Banking Law itself, we think it plain that no such result followed its presentation. Our attention has been called to no case in which it has been held that the filing of such petitions by National bank Receivers in the Federal courts operates to make the Receiver an officer of the court, or to place the assets of the bank within the control of the court, in the sense in which control is acquired where a Receiver is appointed by the court. * * * About four years after the suit was commenced, Stateler was elected agent to succeed the Receiver, and the usual assignment by the Comptroller and Receiver to him, as such, was executed. The legality of Stateler's election, though controverted, must be conceded for the purpose of this application. But did the substitution of an agent for the Receiver oust the jurisdiction of the State court? Certainly not. He was no more an officer of the circuit court in the first instance than the Receiver was.

The agent proceeds in the settlement with like authority to that conferred upon the Receiver, although, at the conclusion of his duty, he is required to render to the Circuit or District Court of the United States, for the district where the business of the bank is carried on, 'a full account of all his proceedings, receipts, and expenditures as such agent, which court shall, upon due notice, settle and adjust such accounts, and discharge said agent and the sureties upon said bond'; and thus he and his bondsmen are protected by the final order of the Federal court upon the performance of the conditions imposed.

But there is nothing in the language of the statute from which it can be inferred that it was the intention that the jurisdiction of State courts of competent and concurrent jurisdiction, first obtained, should be interfered with by restraining orders issued by Federal courts on the application of such an agent.

The agent may, indeed, intervene in a case in the State court, and receive the fruits of the litigation to be administered, subject to the final approval of the Federal court; and, accordingly, Stateler, as agent, submitted himself to the jurisdiction of the State courts, and applied for an order turning over to him the funds so far realized. Nevertheless, the agent must abide the result, and can not control it, through the interposition of another independent and concurrent jurisdiction."

Assuming, as I must, for the purpose of the motion and the demurrers, that the facts stated in the bill of complaint are true, there appears to be just cause for rescuing the remaining assets of the bank from the agent of the shareholders, in order that something may be realized therefrom to satisfy the claim of the complainant.

For these reasons, the motion to dismiss will be denied, and the demurrers to the bill overruled.

PROMISSORY NOTE—SURETY—NOTICE OF DISHONOR.

Supreme Court of Georgia, January 21, 1897.

HUNNICUTT *vs.* PEROT.

A surety on a promissory note, although the note be payable at a bank, is not entitled to notice of the non-payment thereof, or of the protest of the same for non-payment. (Syllabus by the Court.)

PROMISSORY NOTE—INTEREST AFTER MATURITY.

Supreme Judicial Court of Maine, May 1, 1897.

AUGUSTA NATIONAL BANK *vs.* HEWINS.

A promissory note payable on a certain time after date, with interest at the rate of nine per cent. until paid, carries interest at that rate after the maturity of the note as well as before. (Official.)

Action by Augusta National Bank against George E. Hewins and others, executors, on a promissory note. The only question raised was whether or not the note bore interest at nine per cent. from date to the time of judgment, or only to its maturity. The presiding justice ruled that it bore interest until time of judgment, and defendant excepted. Exceptions overruled.

WALTON, *J.:* This is an action upon a promissory note of the following tenor:

$2,300. AUGUSTA, Maine, June 2, 1893.

Six months after date, for value received, I promise to pay to the order of E. A. Getchell the sum of twenty-three hundred dollars, with interest at rate of nine per centum per annum, principal and interest payable at office of E. W. Whitehouse, Augusta, Maine, until paid. E. A. GETCHELL.

It will be noticed that at the end of the note are the words "until paid." The only question is whether these words carry interest at the stipulated rate (nine per cent.) after the maturity of the note as well as before.

We think they do. They were written into the note for some purpose, and we think there can be no reasonable doubt what that purpose was. We think it must have been for the purpose of guarding against that very construction of the note for which the defendants now contend. It had already been decided that without these words such a note would draw the stipulated interest till maturity, and only the legal rate of interest (six per cent.) thereafter. (*Eaton vs. Boissonnault*, 67 Me. 540.) We think it was to guard against this result that the words "until paid" were inserted in the note now under consideration. True, the words "until paid" are separated from the interest clause by a clause naming the place of payment of the note; but we do not think this separation destroys the effect of the words, or leaves their meaning at all doubtful.

Such, in effect, was the ruling in the court below, and it is the opinion of the law court that the ruling was correct.

Exceptions overruled.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: MEMPHIS, Tenn., Oct. 12, 1897.

SIR:—We received as cash from several depositors checks paid to them by their customers on M. bank of Ark. By first mail we sent them for collection to said bank, it being the only bank at that point. In due mail we received in payment draft of said bank on C. bank of this city. Payment was refused, the M. bank having failed the day before. We at once wrote M. bank asking return to us of the checks sent it. It replied, the checks had, on receipt, been charged to drawers and delivered. We charged the amounts to our depositors. Were we not right; and have these depositors recourse on the drawers who paid them the checks by mail? CASHIER.

Answer.—The question of liability in this case appears to turn upon the point whether the Memphis bank was justified in sending the check to the drawee bank. It has been held that a bank on which a check is drawn is not a suitable agent to which to transmit a check for collection. (*Merchants' National Bank* vs. *Goodman*, 109 Pa. St. 422.) In the case cited the Court said: "We think the principle may be stated as a true one that no firm, bank, corporation, or individual can be deemed a suitable agent, in contemplation of law, to enforce in behalf of another a claim against itself. * * * We interpret the cases to which we have referred as establishing the rule of transmission to a suitable correspondent or agent to mean that such suitable agent must, from the nature of the case, be some other than the party who is to make the payment. By no other rule can the rights of indorsers be protected if it is the interest of the party who is to make the payment to hinder, postpone, or defeat payment. This imposes no hardship on the institution undertaking to transmit for collection, which can always protect itself by stipulation that special instructions by the depositor shall be given which will save the collecting bank from risk or peril." And in *Drovers' National Bank* vs. *Provision Company* (117 Ill. 100) it was said by the Supreme Court of Illinois that if the collecting bank has no proper agent at the place through which to make the collection, it should so inform the customer and act on his instructions; and if it takes the check without special stipulation the customer is authorized to assume that it has a suitable agent to whom to transmit, and that it will make the collection through such agent. Upon these authorities it would appear that the Memphis bank would be liable to its customer for the amount of the check, if it can be shown that the check could have been collected had it been sent through some independent agent. The depositors would not have recourse to the drawers, because as to the drawer the holder has no right to receive anything but money in payment of the check, and if he or his collecting agent receives a draft in payment, he does so at his own risk.

Editor Bankers' Magazine: MURPHYSBORO, Ill., Oct. 22, 1897.

SIR:—In your issue for June 1897, on page 896, we find the following:

Editor Bankers' Magazine: "PEORIA, Ill., May 20, 1897.

SIR:—Does a check payable to Jno. Smith; or bearer, have to be endorsed by Jno. Smith to become negotiable? TELLER.

Answer.—An instrument payable to Jno. Smith, or bearer, is in legal effect the same as if payable simply to bearer; and no endorsement is necessary to pass the legal title. (Wilbour *vs.* Turner, 5 Pick. 526.)"

The above may announce the law as it exists in Massachusetts. Does it announce the law as it exists in Illinois?

Under the statute of Illinois, a note payable to a person or bearer cannot be transferred or assigned by delivery only (4 Illinois, 344; 3 Scammon, 344).

A note payable to A, B or bearer cannot be transferred by mere delivery (17 Illinois, 450).

A note made payable to a person or bearer is assignable only by endorsement under our statute (24 Illinois 190).

A promissory note made payable to a person therein named or bearer cannot be transferred by mere delivery, without the endorsement of person named (5 Illinois App. 355).

A county bond or order for the payment of money payable to bearer is negotiable by delivery without being endorsed (83 Illinois, 215).

A county bond or order payable to a person therein named or bearer cannot be transferred so as to vest the legal title, except by endorsement of the payee (83 Illinois, 215).

County orders, notes, checks etc., stand on the same footing.

All instruments for the payment of money or articles of personal property to a particular person are only assignable or transferable, under the statute of Illinois, by the endorsement of the person named as the payee under his hand, and it makes no difference that such instruments contain, in addition to the name of the payee, the words "or order" "or bearer" (95 Illinois, 134).

A promissory note payable to A or bearer cannot be transferred, by mere delivery, without the endorsement of the person named. JOHN G. HARDY, *Cashier.*

Answer.—Our attention was called to this in a letter from a correspondent, which was published in the BANKERS' MAGAZINE for July, 1897, at page 58; and in our reply published there we answered that the law of Illinois differed from the law merchant in this respect.

BANK BOOKKEEPING AND BANK ACCOUNTING.

[The following is an introduction to a series of articles treating of the principles of bank bookkeping, and the mechanics of the intern il management of banks.]

BANK BOOKKEEPING AND BANK ACCOUNTING COMPARED.

In the estimation of many, bookkeeping and accounting are synonymous. Indeed, the words are so employed by many writers and are frequently so used in conversation. A very slight inquiry, however, into the real meaning of the terms will show that there is a marked distinction between them. Briefly, bookkeeping is the art and accounting is the science. It is possible for the art to exist where there is lack of scientific foundation. It is possible for the art as practiced to be unscientific, and it is possible for the art, for lack of scientific basis, to be crude, inconvenient and overburdened with details. Practice and theory ought to go hand in hand. The practical methods employed should be scientifically adjusted that all may move together harmoniously and in a way to produce results with the least expense, both in point of labor and necessary supervision.

The most casual examination of the methods of banks, including both large and small institutions, will indicate that bank bookkeeping has been very much more thoroughly exploited than bank accounting. There is scarcely any division in the routine work of a bank for which numerous bookkeeping methods have not been suggested. For almost everything, from the work of the receiving teller to the routine of the Cashier, and from the reports of the messengers and runners to the quarterly statements to be filed with the department, bookkeeping expedients have been suggested almost without number. On the other hand, it is rare indeed that there is laid down at the outset a system of accounting for a bank, which is at once the foundation and reason for all the methods and expedients that are employed in the several divisions of the work.

If a system of bank bookkeeping could be arranged upon the eclectic plan, taking the best elements from each of a large number of institutions, properly adjusting and combining them, an almost ideal result would be achieved, and still that bookkeeping plan, with all the refinements of methods which it would display, might still be unsatisfactory in various details simply because there was no scientific reason at its foundation, and because therefore its several parts were not harmoniously adjusted with respect to the results to be produced.

Bankers and business men generally owe it to themselves to have the accounts in their charge scientifically arranged and adequately planned, otherwise there is waste in expenditure and absurdity in results. Bookkeeping without a scientific plan underlying it is not less preposterous in character than a house built at the whim and caprice of the several artisans employed upon it, and with an entire absence of an architect's design.

When we set out to erect a building we first carefully survey the site.

Next we test for foundations. Then we investigate the material that is available for use in the structure. Finally we decide the use to which it is to be put, whether for store purposes, or to be devoted to offices, or to be employed as a factory, or to be used as an assembly hall, or as a dwelling. Every one of these considerations as well as others affects some feature of our plans. The environment of the building and our own taste determine the design or the style of architecture to be employed. Its situation, whether in the country or within the so-called fire limits of a great city, determine structural features, whether it shall be of wood or brick, whether of ordinary brick construction or with an enclosed steel framing. Upon all these points in turn we are assisted by the experience and skill of the architect and engineer whom we consult, and so accustomed have we become to the services of these professional men that we never think of proceeding with a building, even of comparatively small size and modest appointments, without availing ourselves of their assistance.

VALUE OE EXPERT ASSISTANCE.

In our accounting and in our business systems, however, we are wont to proceed differently. With unparalleled veneration for traditions and overpowering respect for existing methods, provided slight modifications are made out of deference to our own peculiar tastes and preferences, we build our bookkeeping systems by copying from our neighbors and by appropriating from the records of those who have preceded us whatever seems likely to answer our purpose. We seldom have a plan to work to for we have not yet reached the day where as a matter of course we call in a business engineer or an accounting architect to arrange for us, in the light of wide experience and careful investigation, just such a system as our business demands.

I say we have not yet reached the day when we habitually call in expert assistance in arranging our office methods. Notable exceptions prove the rule. Leading establishments in the financial, mercantile and manufacturing world of late are finding it advantageous to use the experienced accountant in the same general way as those who invest in buildings find it advantageous to use the architect and constructing engineer. And I venture the assertion that the day is not very far distant when it will be the rule rather than the exception in the organization of a bank to call into council an expert to plan the accounts, and in the projection of a manufacturing or mercantile enterprise to commission a business engineer to lay down plans and outline the specifications of the accounting system to be employed therein.

There is reason in all this. Expert and special talent is profitable in accounting as well as in building. While business routine is among the last wherein expert talent in planning and designing is employed, it is not the least in importance. The precedents in closely related divisions of business activity, to which reference may be made, are of potent and convincing influence. Comparison with the architect has already been instituted. Consider for the moment the contrast with the mechanical engineer who designs machines for special purposes. A bookkeeping system, properly regarded, is only a machine for producing certain results. The results may be described as historical records, but historical records when jumbled and mixed, however correct as to facts, are totally unlike the mechanical product of a well-designed and well-built machine. The inference is, therefore, that the bookkeeping machine in order to turn out a product of proper character must be well designed.

System Should Be Properly Designed.

Again there are many who are competent to operate machines, while there are comparatively few who are competent to invent and design machines. There are thousands of bookkeepers, clerks and assistants entirely competent to keep books, using the term in its conventional sense, while there are comparatively few who are able to design and construct accounting systems that are exactly suited to the requirements of the concerns in which they are employed. And yet for the most part our bookkeeping systems are the clumsy work of operatives and not the skilful work of experienced designers.

To present another contrast as between accounting and bookkeeping, we may liken the structure or system to a wheel. Shall we commence our construction at the hub and work outward or shall we commence at the felloes and work inward ? The hub or center of an accounting system is the balance-sheet, and the felloes forming the periphery are the bookkeeping details. The spokes are the branches of the bookkeeping connecting the details with summary or final balance-sheet.

Shall we work then from the balance-sheet outward, adjusting details as best suits the composition of a balance-sheet, or shall we work from the small details toward the balance-sheet making up that important exhibit from a mass of unassorted facts as best we can ? Shall the balance-sheet be adjusted in view of the different details of the bookkeeping, or shall the balance-sheet command all the details of the bookkeeping, and so shape them as to make each one a proper and orderly contributor to balance-sheet results ?

Continuing this simile it may be declared that the usual plan in banks as well as in various other branches of business is to work from the periphery toward the center, that is from the bookkeeping toward the balance-sheet, letting the latter be made up as it may be from the results which the bookkeeping presents no matter how illy arranged they may be. A better plan surely is to work from the center toward the circumference shaping the necessary details as we go. First, we should consider what the balance-sheet ought to show, and then working outward we should arrange all the details in a way to cause each to contribute its proper quota to the construction of the balance-sheet.

The usual plan above referred to is unscientific in character and results in much lost motion, or unnecessary expense, in much needless detail, and very frequently in duplication of work. The latter is the scientific plan and has the advantage of freeing the system from all superfluous features, saving all lost motion and duplication of work, and producing an easy running machine that turns out a thoroughly finished product. A bookkeeping system leaves the balance-sheet to be made up, something to be constructed out of the mass of facts which the ledger presents. An accounting system on the other hand converts the ledger into a perpetual balance-sheet, the finished product of a well-built machine, ready for use at any moment.

A. O. Kittredge, F. I. A.

EMERSON W. KEYES.

Emerson W. Keyes, formerly Deputy Superintendent of the New York State Banking Department, and an author of several valuable works on banking and educational subjects, died at his home in Brooklyn, N. Y., October 17.

Mr. Keyes was born in Jamestown in 1828. When sixteen years old he began his teaching career in a district school of Chautauqua County. Four years later he was graduated from the State Normal School in Albany. In the mean time he had taught in Ashville, Chautauqua County, in Western Pennsylvania, and in his term of study at the Normal School had charge of a school in Albany County. Later he taught at Castleton-on-the-Hudson. In 1850 he took charge of the department of English at the Portland Academy, in Homer. In 1852–53 he was principal of Public School No. 1, in Hudson. Coming to New York in 1856, he taught in the evening schools for two years. He was then appointed Deputy Superintendent of Public Instruction in the State of New York, which place he held for eight years. For one year he was acting Superintendent. In 1865 he was appointed Deputy Superintendent of the Banking Department of the State. His energetic work in developing the banking system of the State earned for him the promotion to chief examiner of Savings banks. In 1870 he retired from financial life, after writing the "History of Savings Banks in the United States," and "A Special Report on Savings Banks." Having been admitted to the bar in 1868, he became the Editor of "Keyes' Court of Appeals Record," in four volumes. Having again entered the educational field, "The Code of Public Instruction of the State of New York" and a treatise entitled "Principles of Civil Government, Exemplified in the State of New York" followed in quick succession.

In 1882 he became Chief Clerk of the Brooklyn Board of Education and continued to hold that office until his death. His expert knowledge of educational matters was of great benefit to the city, and he was also influential in shaping the provisions of the Greater New York charter relative to educational institutions.

The History of Savings Banks by Mr. Keyes, which was issued by the publishers of this MAGAZINE, is generally regarded as the best work extant on the subject.

He was one of the founders of the Lincoln Club, of Brooklyn, and was its first secretary, serving in this capacity until four or five years ago. His retirement was made the occasion of a notable public dinner tendered him by the club.

Mr. Keyes was a man of careful, methodical habits, with a special aptitude for statistical work. In the banking department and as an educator and author his services to the cause of sound banking and instruction were of a high order. He was a man of eminent abilities, of an exceedingly modest and kindly disposition, and he will be long remembered for his work and agreeable personal qualities.

CANADIAN BANKING AND COMMERCE.

QUARTERLY REVIEW OF THE BANK RETURNS.

In reviewing the third quarter of the returns of the chartered banks in Canada, it brings us face to face with the greatest season of prosperity that has been witnessed in this country for many years. It is satisfactory to notice that many other countries are enjoying the same blessing, but Canada being a comparatively young country, her growth is more readily noticeable.

The banking system of Canada is certainly seen at its greatest advantage when a development of trade comes suddenly and unexpectedly; the expansion and contraction of the bank note system works like well-geared machinery without noise or friction. On June 30, a little over 32¼ millions of bank notes were required to carry on the Canadian business; at the close of September, three months later, $38,-616,211, or an increase of 6¼ millions, was needed. This increased amount went naturally as waters flow into the current of business; no friction, no waiting for results. The revolutions of the wheels of trade draw the notes out and when no longer use is found for them they return from whence they came. The admirable working of this feature of the Canadian system was well described by Mr. Wm. C. Cornwell, President of the City Bank, Buffalo, N. Y., in a speech at the Canadian Bankers' Association's banquet, when replying to the toast "The Banking and Commercial Interests of Canada," and referring to the question of a gold basis, he said:

> **"You of Canada have no reason to consider that question. You took it up twenty and thirty years ago and by the perfecting of your banking system in the Acts of 1870, 1880 and 1890 you settled it for Canada and you settled it right * * * and the reason that Canada is enjoying entire freedom from these (agitations in regard to the money standard) is due to the fact that currency all over British North America can be increased to any extent that the legitimate demands of business may require."**

Public deposits payable on demand increased in the quarter $4,669,660; payable on a fixed date, $6,007,696, a total increase in three months of nearly 13 millions. The amount due from banks and agencies in the United States increased $6,551,384, and amount due from the same source in Great Britain increased over 4¼ millions. Investments in Canadian municipal and other securities other than Dominion increased about 1½ millions, railway securities about a million. and call loans 3½ millions. Current loans are now less than three months ago but increased in September over 4¼ millions. The June and July figures are generally about the lowest. In August business again begins to move and by October has reached the highest point.

The returns for July and August were but little out of the ordinary, the principal cause for comment being, that although bank notes in circulation continued to increase in amount, current loans decreased and deposits increased also. A large increase is noticeable in the shipment of cattle, also cheese and butter. These items run the exports up many millions and there is also an additional activity in imports.

Railroad earnings have increased over the past three years very materially; so also have clearing-house transactions.

Failures since the beginning of the quarter under review are fewer and smaller in volume.

The crops in Ontario, Manitoba and the Northwest are excellent, and these favor-

STATISTICAL ABSTRACT OF CANADIAN CHARTERED BANKS—COMPARISON OF THE IMPORTANT ITEMS.

ASSETS.	Sept. 30, 1897.	Aug. 31, 1897.	Sept. 30, 1896.	Increase and decrease for month.	Increase and decrease for year.
Specie and Dominion notes	$26,336,877	$26,338,143	$23,254,490	Dec., $1,266	Inc., $3,082,387
Notes of and checks on other banks	9,093,757	7,909,618	6,973,648	Inc., 1,184,141	Inc., 2,120,111
Due from banks and agencies in foreign countries	27,939,204	27,913,790	16,045,600	Inc., 25,434	Inc., 11,893,604
Due from banks and agencies in United Kingdom	12,362,134	12,249,663	9,881,792	Inc., 112,471	Inc., 2,480,342
Canadian municipal securities and British provincial or foreign or colonial, other than Dominion	13,710,367	13,320,590	9,447,721	Inc., 389,777	Inc., 4,262,646
Railway securities	14,091,974	14,035,228	11,716,748	Inc., 56,746	Inc., 2,375,226
Loans on stocks and bonds on call	17,314,047	16,606,104	13,577,151	Inc., 707,943	Inc., 3,736,896
Current loans to the public	206,779,863	202,457,187	209,959,682	Inc., 4,322,676	Dec., 3,179,819
Overdue debts	3,622,730	3,636,793	3,756,236	Dec., 14,063	Dec., 133,506
Total assets	$352,274,880	$345,805,354	$324,264,175	Inc., $6,469,526	Inc., $28,010,705
CAPITAL.					
Capital stock paid up	$62,279,925	$61,959,547	$61,725,269	Inc., $320,378	Inc., $554,656
Reserve fund	27,223,999	27,070,799	26,373,799	Inc., 153,200	Inc., 850,200
LIABILITIES.					
Bank notes in circulation	$38,616,211	$34,454,386	$32,652,176	Inc., $4,161,825	Inc., $5,964,035
Balance due to Dominion Government	3,242,061	2,780,000	3,633,541	Inc., 462,061	Dec., 391,480
Balance due to Provincial governments	3,474,255	3,857,438	3,870,419	Dec., 383,183	Dec., 396,164
Deposits of the public payable on demand	76,136,117	74,949,375	65,827,150	Inc., 1,186,742	Inc., 10,308,967
Deposits of the public payable after notice	135,682,927	135,068,821	123,436,216	Inc., 614,106	Inc., 12,246,711
Deposits payable on demand or after notice between banks	3,304,066	3,858,637	2,858,277	Dec., 554,571	Inc., 445,789
Due to banks and agencies in foreign countries	279,397	360,692	257,759	Dec., 81,295	Inc., 21,638
Due to banks and agencies in the United Kingdom	2,031,777	2,116,546	1,939,597	Dec., 84,769	Inc., 92,180
Total liabilities	$263,446,774	$258,032,070	$234,810,603	Inc., $5,414,704	Inc., $28,636,171
MISCELLANEOUS.					
Directors' liabilities	$6,897,049	$6,678,798	$7,210,154	Inc., $218,251	Dec., $313,105
Greatest amount of bank notes in circulation at any time during month.	39,077,427	34,928,862	33,268,021	Inc., 4,148,565	Inc., 5,809,406

Deposit with Dominion Government for security of note circulation (amount required being five per cent, on average maximum circulation for year ending June 30, 1897), $1,879,454.

able conditions are supplemented by the introduction of cheese factories and creameries. This has also been the case in Quebec and the Maritime Provinces. British Columbia seems well satisfied with the salmon pack of the season (though not quite up to former years) that with mining operations keeps money stirring.

Heavy sales of lumber have lately been made here for the British and American markets; all these with the economical methods of living obtained owing to the former years of depression will make Canadians well pleased with their lot and the continuation of good times which from present indications are sure to follow.

The showing for the month of September by the banks beats all former records, and a few of the chief items from that month's returns in former years may prove interesting for purposes of comparison, and are as follows, viz.:

YEAR.	*Notes in circulation.*	*Deposits.*		*Current loans.*
		On demand.	*After notice.*	
1882	$33,953,887	$48,597,343	$49,381,851	$143,890,314
1890	35,522,319	54,739,373	77,695,310	153,145,549
1891	34,063,051	59,606,395	86,018,695	185,902,494
1892	34,927,615	65,753,885	98,831,098	188,167,135
1893	35,128,926	61,245,992	104,004,596	204,654,480
1894	33,355,156	66,584,661	111,084,063	199,773,925
1895	32,774,442	67,774,818	116,634,486	197,729,334
1896	32,652,176	65,827,150	123,436,216	209,959,682
1897	38,616,211	76,136,117	135,682,927	206,779,863

In the foregoing the strong position gained by the banks may be seen. In 1882 the total assets were $236,976,748. They were on September 30, $352,274,880. Deposits which in 1882 were under 100 millions are now nearly 212 millions. These gains can be surely looked upon as indications of solid prosperity.

New York State Banks.

RESOURCES.	*Sept. 3, 1896.*	*Sept. 15, 1897.*
Loans and discounts, less due from directors	$167,845,445	$174,202,642
Liability of directors as makers	5,572,019	6,412,205
Overdrafts	201,549	196,896
Due from Trust Companies, State, National and private banks and brokers	19,977,257	34,856,894
Real estate	8,765,235	9,596,978
Bonds and mortgages	2,929,963	3,182,322
Stocks and bonds	15,909,374	17,925,396
Specie	18,312,193	17,507,651
United States legal-tender notes and circulating notes of National banks	18,500,557	19,011,543
Cash items	18,348,277	45,470,006
Loss and expense account	673,907	....
Assets not included under any of the above heads	1,763,445	1,458,469
Add for cents	764	566
Total	$273,795,005	$329,272,440
LIABILITIES.		
Capital	$31,220,700	$30,570,700
Surplus fund	19,942,816	19,291,544
Undivided profits	8,308,318	7,963,495
Due depositors on demand	181,828,696	224,349,746
Due to Trust Companies, State, National and private banks and brokers	17,969,111	32,121,523
Due to individuals and corporations, other than banks and depositors	424,697	....
Due Savings banks	11,968,674	11,585,692
Due the Treasurer of the State of New York	1,220,873	2,689,088
Liabilities not included under above heads	910,778	680,410
Add for cents	342	243
Total	$273,795,005	$329,272,440

THE CURRENCY REFORM MOVEMENT.

JOHN HARSEN RHOADES ON THE INDIANAPOLIS MONETARY COMMISSION.

At the recent convention of the Board of Trade and Transportation in New York, John Harsen Rhoades, President of the Greenwich Savings Bank, spoke on "The work of the Monetary Commission now in session at Washington; its origin, its purpose, and the benefits expected to be derived therefrom." The address in full was as follows:

"On January 12, 1897, there was held in Indianapolis a convention, called by trade associations located there and elsewhere throughout the Western country, for the purpose of considering the currency and banking systems of this country, and to take such action as would lead to a solution of these grave problems relating to currency and finance which had confronted the country for the past twenty-five years, and which had brought doubt and disaster in their train. It was felt that something must be done to concentrate public opinion upon some plan of solution by which the mercantile community throughout the country would unite, pressing their views upon Congress, and insist that something should be done for the welfare of the people. The result of the deliberations of the convention was to decide not to adjourn *sine die*, but to appoint an executive committee of able men who would have charge of the work of the convention; that a serious effort should be made by this committee to induce Congress to create a monetary commission for themselves to do the work suggested by this convention, and it was decided that in the event of Congress failing to appoint such a commission the executive committee themselves were instructed to create the commission for the benefit of the public at large. Long and persistent efforts were made by this committee, coming in direct contact with members of Congress, to bring about favorable action on the part of the Government. The President of the United States finally, at the close of the session, recommended to Congress the appointment of such a commission, and a bill was introduced to that effect, passed the House of Representatives, and failed in the Senate. It then became the duty of the executive committee to carry out the wishes of the convention and themselves create a commission. This has been done, and the members of that commission are as follows:

Hon. George F. Edmunds, of Vermont, chairman; Hon. Charles S. Fairchild, of New York; W. B. Dean, Esq., of Minneapolis; George F. Leighton, Esq., of Missouri; J. G. Fries, Esq., of North Carolina; C. Stuart Patterson, Esq., of Pennsylvania; Robert S. Taylor, Esq., of Indiana; Stuyvesant Fish, Esq., of New York; Prof. J. Laurence Laughlin, of Illinois; T. G. Bush, Esq., of Alabama; Louis A. Garnett, Esq., of California.

This commission has been requested to make a careful study of the currency and banking systems of this country, from the foundation of the republic, to discover, if possible, what evils there are now existing in the laws relating both to issues of currency and general banking; and lastly to seek the aid of prominent men familiar with finance, and obtain their views as to the proper solution of the whole question. Also to carefully study the laws relating to the collection of debt in all the various States of the Union, and, if possible, to endeavor to discover the real reasons why currency does not flow freely in certain sections of the country, and, finally, to unite upon some general plan which would command the attention and approval of all the various trade organizations throughout the country; also, if called upon, to give the results of their investigations to the officers of the United States Government, as well as to members of Congress.

The scope of the work laid out is extensive; it will need close attention on the part of the commission and extended thought, but the members of the commission have accepted the voluntary duty imposed upon them in a true spirit of patriotism, knowing that the work is most onerous and the responsibilities great. When their work is completed it is the intention of the executive committee of the Indianapolis convention to disseminate their conclusions as widely as possible, for the sake of educating the mass of our people, and to urge trade organizations and leading financial associations to study these conclusions, in the hope that they will approve and adopt them as their own.

It is believed by those who have taken a deep interest in this convention that in this way the best thought of the country will be concentrated on some feasible plan which will solve, not only the currency question, but lay the foundations for a banking system so broad and so wide and so elastic as will serve the country for a century to come, if not for longer.

It must not be forgotten that capital follows, and never precedes, credit; and this fact must be realized in all parts of the country if any scheme proposed can be successful. The dangers which have threatened the country in the past, and which caused serious disaster, doubt and dread in the year 1896, are still in active operation; a year of unexampled crops and the establishment of a tariff which must last at least four years have given confidence to the people, and allayed for the time being the fear which has existed in the past; but members of this convention realize that if a year of poor crops or of low prices should again come, the issues presented in the campaign of 1896 will again assume formidable proportions, and that the only way in which these issues can be laid at rest is by uniting the intelligent sense of the people at large upon some plan which will secure, not only ample currency for business needs, but hold the country firmly to a gold basis, and they realize that it is only by such concentration of thought on the part of the people as will come from this commission established by them that a true solution can be reached. They believe that the work of this commission is the most important in its character of any commission ever appointed in connection with the grave subject of finance and currency; they believe that their work not only commands the respect of the community, but will be one of the great factors, if not the greatest factor. which will bring about favorable action on the part of Congress.

The committee appointed by the Chamber of Commerce and the Board of Trade and Transportation to attend the convention at Indianapolis were deeply impressed, not only with the character of the men there assembled from all parts of the country, but realized fully the grave import of the issues which it was sought to remove. Not only is the work of this commission entitled to favorable attention, but it should receive the heartiest co-operation from the business community throughout the entire country.

The United States of America stands in the very front of all civilization; its growth has been marvellous, its development extraordinary, its future possibilities are magnificent; through its commerce it comes in close contact with all the nations of the world, and self-interest, patriotism and common sense alike demand that its credit should remain untarnished, and that its unit of value should rank in the world's estimation, and be equally sought for with the English pound sterling, which, owing to the fact of the enormous colonial trade of Great Britain, is the recognized unit of value throughout the entire world.

With these ends in view, the Monetary Commission has been appointed, its work will be watched with interest, and its conclusions must have great weight in the minds of those competent to judge. Let there be no coldness or lack of interest or of friendship shown toward the work of this party of experienced financiers. Let us all join hands and bid them 'God speed,' and aid them to the limit of our powers, so shall our country rise to the high position its development and progress demand, so shall it have the respect and confidence of every nation with whom it comes in contact."

The Country Check.—In an article recently published, F. R. Boocock, Secretary of the National Credit Men's Association, vigorously attacks the custom of retail merchants in making remittances to wholesalers in the form of their personal checks drawn on the local bank. He says:

"The magnitude of this abuse has never been so forcibly brought to my attention as it has recently, through the special study which I have given in behalf of the association to this subject. In reference to this custom I have received figures from eighty-five mercantile houses in every section of the country, from very small cities as well as large commercial centres, and from both concerns having small and large volumes of trade. The cost to each house for collecting out-of-town checks varies with the size of the business, so that the figures submitted range from \$60 to \$2,500 per annum.

The average cost, however, yearly to these eighty-five houses amounts to \$558.

The amount that is annually paid by wholesalers in this country for the collection of checks runs into many millions. In making remittance the debtor should realize that the bill is due at the place where the creditor's business is located, and that the transmission of funds in payment of the bill is an obligation that rests alone upon the purchaser's shoulders. It is decidedly unfair that because it happens to be convenient to him to remit by personal check he should require the creditor to pay for the subsequent collection of the funds in question.

The fact that in some instances the creditor's bank incurs this loss by reason of an agreement with its depositor to collect without charge all out-of-town checks, in return for the maintainance of a large daily balance, in no way alters the injustice of this practice. Unfortunately, in these days of severe competition, banks are too willing to make concessions of this nature, ignorant, apparently, as to whether the arrangement is a profitable one or not to its depositors and stockholders. Frequently it is decidedly unprofitable. A few days ago a case in point was related to me that occurred with a Western bank. An arrangement similar to the one above mentioned was made by the bank with its depositor, who had a large and flourishing business. The daily balance to be maintained was \$29,000, but at the end of the year the bank discovered that by reason of the collection of the country checks for the house in question they had suffered a loss of about \$1,400 on the account."

The National Credit Men's Association will endeavor to reform this abuse of credit.

STATE BANKERS' ASSOCIATIONS.

REPORTS OF RECENT AND PROSPECTIVE MEETINGS.

BANKERS' ASSOCIATION OF THE STATE OF ILLINOIS.

The seventh annual convention of the Illinois Bankers' Association met at the Grand Opera House in Peoria, October 13.

The convention was called to order by President Frank Elliott, and prayer was offered by Dr. Samuel Henderson Moore, pastor of the Second Presbyterian Church of Peoria.

Oliver J. Bailey, of Peoria, then delivered the address of welcome to which President Elliott replied, thanking the bankers and citizens of Peoria for their hospitality and the freedom of the city. He then delivered the annual address, which was in part as follows:

"The advantages and usefulness of our association have neven been more apparent than during the last year. It has done active work and has made its influence felt. Its officers have been alert and watchful of all matters affecting the interests of its members.

Our association now claims a membership of 454, and had the largest representation of delegates of any State association at the Detroit convention of the American Bankers' Association. It is, therefore, one of the most important and prominent associations in the United States.

The great question as regards our monetary standard was decided, I trust, permanently, when in last November our people expressed their preference for the gold standard. That the decision was wise is unquestionable. The fact has been already demonstrated in the conditions which now exist and will continue to be proven and emphasized as time goes on. We feel it in the renewed courage with which business enterprises are undertaken and pursued, in the solidification of values and the consciousness that we are building upon a foundation which is firm and unchanging.

If we keep the fact constantly in view and make it clearly apparent that, whatever may be done with our currency and coinage, we are determined as a nation to abide by one standard, and that the gold standard, we will not only give assurance to our own people, which will induce more extensive investments and increasing enterprise, but will establish among nations a credit and beget a confidence in us which will result in benefits which can hardly be estimated.

Our position is unique among nations, and they stand ready to share with us the benefits of their capital and accumulated wealth, if they can only be assured as to the unchangeability and permanence of our standard of value.

Having established, as we believe, in this country the great principle of a gold standard, it now becomes our duty to adjust and arrange the existing coin and currency with reference to preserving and maintaining this fundamental idea and with reference to the business interests of the people. The currency problem is extremely complex, requires the most careful handling, and should be approached with much caution.

There is an impression prevalent that arrangements should be made whereby the bank note issues may be expanded and made more elastic, so as to conform to the conditions of trade and commerce—to furnish currency in those sections where a scarcity exists and to supply the increased demands in times of excitement and panic.

It occurs to me that the most important point to be considered is how to handle the vast amount of silver, which, in the shape of coin, silver certificates and Treasury notes, forms such a large proportion of our circulation, so that it may be maintained at par with gold. It would be a great calamity if we should be unable to do so.

In the necessary rearrangement of the finances, the conclusion is growing and becoming conviction with our most thoughtful and conservative citizens that the United States notes, the "greenbacks," should be retired, and that bank note issues, if needed, should be substituted in their place.

I wish here to suggest a difference between a Government note and a bank note, which may not occur to some of you. The Government note depends altogether on credit, and credit which we have seen is assailable. It is a creature of credit without any visible means of payment. A bank note, when things are properly regulated, may have some special security pledged for its redemption, but it will also be a claim on all the available assets of the bank, consisting of cash and current business paper represented by actual and material assets in the hands of its customers, out of which the money can be realized. The means of payment are actual and visible. Such paper may be good when even the credit of the Government is shaken. And each separate bank, under prudent management, might provide for the redemption of such of its notes as might be presented under conditions when the Government would find it difficult to provide for the large amount of its notes which might be presented at the Treasury for redemption.

Our present National bank currency is an excellent currency and fulfills the requirements in a high degree. It is safe because it is secured by Government bonds. It is redeemable on demand and is unstable or changeable in value only as United States notes may be unstable or changeable. If the legal-tender notes should be retired it would then be redeemable in standard coin of the United States. It passes unquestioned and with equal freedom in all parts of the land. No paper currency anywhere maintains a higher standard. * * *

Formerly the profits of banking depended on the capital and circulation of the bank rather than on the deposits. The banker of to-day looks almost entirely to his deposits as a source of profit. * * *

The needs, if any there be, of additions to our circulation, are certainly not very apparent, and seeming needs can doubtless, in many cases, be explained away.

It occurs to me that the conditions and circumstances of the present time are worthy of note and are particularly favorable to the establishment of a permanent policy, on the part of the United States Government, to place its financial affairs on a firm and enduring basis—a policy looking steadily in the direction of a metallic circulating medium, with a gold standard.

I would suggest that at present there is ample circulation in coin and paper for the needs of the country, which, under favorable circumstances, will be materially added to by the product of our mines. If there be any more needed, our National bank circulation can, with slight modifications of law in favor of the banks, be arranged to make up the deficiency—especially in view of the fact that credit and the use of clearing-houses and bank checks and drafts have been so elaborated that almost all settlements are effected by use of paper credit instead of money.

In effect, bank checks and drafts are as much a part of the circulating medium as bank notes and by their use make the whole aggregate deposit in the banks of the land available and actually efficient as a circulating medium.

The use of "branch drafts" by the Bank of the United States affords an example of the actual use of checks in place of bank notes.

Assume, for argument, that our National bank currency can be arranged as suggested; that the "Treasury notes," and gold and silver certificates are covered by coin and bullion in the Treasury, which we will have the wisdom to handle so as to take care of them—we have left for consideration $346,000,000 of United States notes, paper currency, which must be retired without disturbing values and business interests. It may hold in reserve $100,000,000 of the $140,000,000 net gold now in the Treasury for the redemption of the last $100,000,000 of these notes, which could then be redeemed without affecting the circulation; we will have only $246,000,000 of them to take care of.

A gradual retirement of this sum could doubtless be accomplished in the course of three or four years without affecting values, the National bank currency, if necessary, taking the place of part of them. But aside from that, under favorable trade conditions, which we may reasonably anticipate, the product of our own mines, now continually increasing, say $60,000,000 of gold per annum, would in a few years replace that sum.

And a fixed gold standard, with a policy pointing steadily on to a metallic circulating medium, would create such confidence among foreign capitalists that their investments would turn this way and there would be an influx of gold greater than the product of our mines, far more than any deficiency which might be created by the retirement of the greenbacks.

It looks much as if we were entering upon another period of industrial activity and progress such as was brought about and stimulated by the increased production of gold in 1849 and following years, and culminated in the great collapse of 1857.

Let us take advantage of the opportunity and possibilities offered, if it comes, but let us also put out our lines with prudence and direct our energies toward placing ourselves on a firm foundation so that we may not be overtaken with similar disaster in the end.

Under such arrangements of the currency we would have gone far toward divorcing the Government from the banking business, and any deficiency in the circulation having been supplied by the National banks, additional note issues might, for convenience, be arranged for on what is known as the "currency principle," which is that all notes shall be represented by an equivalent amount of coin or bullion held in reserve for their redemption, and when the note is out the coin is in and when the note is redeemed the coin is out. The currency is not inflated and the note is safe.

The times surely look propitious, let us take advantage of them."

The secretary, Edward Tilden, of Chicago, made his report. He stated that there are 454 members. The receipts during the year have been $1,995, and the expenditures $1,768.

The report of the Treasurer, A. B. Hoblit, of Bloomington, was to the same effect. Both reports were approved.

The following, which had been unanimously adopted by the executive council, was also submitted:

Resolved, That the Bankers' Association of the State of Illinois has learned with great satisfaction of the appointment by the Indianapolis monetary conference of an able non-partisan commission for the purpose of ma ing a thorough investigation of the monetary affairs and needs of this country in all relations and aspects, and to make appropriate suggestions as to evils found to exist and the remedies therefor.

The council also reported that they endorsed the recommendations as to uniform laws relating to negotiable instruments reported to and adopted by the national association at Detroit, and they had agreed to submit without recommendation a paper by John L. Hamilton, Jr., of Hoopeston, on express money orders.

It was voted to ask the next legislature to enact the uniform laws. Mr. Tracy said they are the finest codification of commercial laws that has ever been drafted.

A committee on nominations was appointed, as follows: H. W. McCoy, Peoria; F. E. Brown, Chicago; J. P. McKinney, Aledo; Ezra Durham, Orange; J. W. Metcalf, Girard.

Oren E. Taft, of Chicago, read a paper on "The Mortgage Banks of Europe, and the Need of This System in the United States." He pointed out the advantages to be derived from them and explained the manner in which they are conducted. The German mortgage banks have $1,600,000,000 loaned out, and the mortgage bonds fluctuate less than Government securities, and are eagerly sought for. They have enabled the people to obtain homes and farms of their own. They were originally instituted to help the debt-ridden nobility, and afterwards in the interest of the people, when the feudal system was abolished. In France the business is done by one bank and its branches. This is the Crédit Foncier. It is not a Government institution. It has $34,000,000 of capital. Under the American system interest is higher than in Europe. The average rate increased from east to west. The rate for farm loans is higher than that for city loans. The average life of real estate mortgages is 4.81 years, and in Illinois a little over four years. But many are renewed, and counting renewals the probable life of a mortgage in Illinois is eight or nine years. Eighty-three per cent. of the payments to the Crédit Foncier have been made prior to maturity. In many cases in this country the borrower often does not know who is the real owner of the mortgage, and there have been dishonest practices on the part of agents, which led to the passage of laws to effect a remedy. There would be no such trouble with mortgage banks. Mr. Taft believed they would be as successful in the United States as in Europe, and that they would save the borrower millions of dollars.

The principal ends which it may reasonably be expected to accomplish in the United States through the introduction of mortgage banks, are as follows:

1. A considerable decrease in the interest charged upon the mortgage debt.
2. a much-needed provision for its gradual and easy payment.
3. A better distribution of lending capital, with a consequent equalization, to a large extent, of the varying interest charges in different portions of the country.
4. An improvement in the means offered for obtaining credit upon real estate mortgages and for the purpose of purchase, improvement and development.
5. The creation of a form of investment security much more desirable than the present form of mortgage loan—an investment which experience has known to be as popular and stable in European countries as the direct Government issues.

George T. Page, of Peoria, spoke on "The Proposed Bill for Uniform Laws Concerning Negotiable Instruments, and Its Desirability."

The convention then adjourned, and the ladies and gentlemen were tendered a drive about the city and suburbs.

In the evening the bankers and their ladies were given a reception at the National Hotel.

SECOND DAY'S SESSION.

At the second day's session after prayer by Rev. Alexander Monroe, A. J. Williford, of Nokomis, read a paper on "Reform in the Method of Collecting Checks."

Mr. Williford thought it would be a comparatively easy matter for the clearing-houses already established to extend their usefulness by clearing the country checks. This, in his opinion, was the best way out of the existing difficulties.

W. S. Rearick, of Ashland, read a paper on "Should Postal Savings Banks be Opposed by the Banking Fraternity, and Why?"

He said that to rekindle the spark of patriotism into a flame of devoted enthusiasm the Postal Savings Bank is prescribed, and we are assured that the moment the restless and dissatisfied and fault-finding and rebellious spirits in our land become creditors of the United States to the extent of a deposit account with a postal Savings bank, a great calm will be experienced, and all thoughts of discontent and censoriousness, and criticism of governmental policy will vanish.

Again, the fact that England and the continental countries of Europe, and in fact even some of the lands of the Orient have established and maintained for their subjects a system of governmental Savings banks, is presented as an insurmountable argument in favor of the inauguration of a like system by Congress.

It is further claimed that while perhaps some of the Eastern States of the Republic are fairly well supplied with Savings bank facilities, yet the great preponderance of our territory, geographically speaking, is not provided with the means for meeting the demands of the people for a secure place of deposit for their savings, and consequently the need of the postal Savings bank is evident.

The question is whether or not it is justifiable for the general Government, in order that a few and irresponsible banking and Savings institutions may be circumvented, to enter into a field of industry and endeavor, whose interests it is the duty of the Government to conserve rather than oppose. Only 1.06 per cent. of the banks of the country failed in 1896, while the per cent. of all insolvencies for the same period was 1.50. The total of all liabilities of insolvents for that year was $277,000,000, while those of the banks that failed were only $19,500,000.

In addition to the many worthy, solvent and correctly managed mercantile and Savings banks there has arisen a great popular institution called to occupy the identical field into which it is proposed to thrust the postal Savings bank, viz.: the building, Savings and loan associations, 6,000 of which have been organized in the United States with total assets of $650,000,000.

All the movements for Government interference in private affairs are based upon the same principle that controls in the demand for postal Savings banks. Chauncey Depew says the railroads operated by the Government in Europe do not offer a tithe of the advantage to the travelling public that are enjoyed in our own land. If the patronage of the administration and the spoils of political office are such a curse and such a burden to be borne by the industrial and commercial world to-day, what will be the service rendered to a long-suffering public when not only the post office, but the places in the executive and operative departments of all the railways and other Government-owned industries will be held as a reward for political service, and distributed at the behest of some party boss?

The fact that postal or Government Savings banks have met with reasonable success in the monarchical countries of Europe may be taken as a good and sufficient ground for belief that this exotic would thrive and flourish upon our shores, but we submit that it is not unreasonable that the spirit of free and independent America might favor a little different line of policy than that in vogue in the paternalistic governments and approved by the crowned heads of the old world. Mr. Rearick concluded, saying:

"I leave many of the points that might be urged in opposition to this proposed measure untouched, firmly relying upon the sound judgment and wise policy of this body of clear, financial minds to heartily endorse the view of the American Bankers' Association expressed in recent annual convention that the Government should retire from the banking business, as to the issue of circulating notes. I am quite sure that you will not favor the embarkation of the Government into the banking business in the line of receiving deposits."

John Farson, of Chicago, made a report of the delegates to the convention of the American Bankers' Association at Detroit. He reported that Illinois was well represented with thirty or forty delegates, and honored with the nomination of Frank W. Tracy as vice-president.

Reports were received from a number of districts in the State, all being of a highly favorable nature.

The following officers were nominated by the committee and they were elected.

President—W. T. Fenton, Cashier and second Vice-President National Bank of the Republic, Chicago.

First Vice-President—J. L. Hamilton, Jr., (Hamilton & Cunningham) Hoopeston.

Secretary—Edward Tilden, Chicago.

Treasurer—A. B. Hoblit, Bloomington.

Executive Council, expiring 1900—Frank Elliott, Jacksonville; Tunis Young, Cissna Park; H. A. Hammond, Wyoming; H. C. Hamilton, Girard; B. F. Harris, Champaign, and to fill unexpired term of J. L. Hamilton, Jr., H. H. Harris, Champaign.

Committee of Private Bankers—Lee Kincaid, Athens; W. L. Wiley, Brimfield; George J. Pattison, Virden; Addison Goodell, Loda; W. G. Stevenson, Alexis.

District Vice-Presidents—1. George D. Boulton, First National Bank, Chicago; 2. N. W. Harris, N. W. Harris & Co., Chicago; 3. John Farson, Farson, Leach & Co., Chicago; 4. Arthur Tower, American Exchange National Bank, Chicago; 5. George F. Orde, Northern Trust Co.

Bank, Chicago; 6. Isaac N. Perry, Continental National Bank, Chicago; 7. David R. Forgan, Union National Bank, Chicago; 8. Jacob C. Lutz, Bank of Gardner; 9. W. T. Robertson, Winnebago National Bank, Rockford; 10. J. G. Vivion, Second National Bank, Galesburg; 11. Elmer McDowell, First National Bank, Fairbury; 12. J. G. Williams, Citizens' Bank, Watseka; 13. W. J. Lateer, Paxton Bank, Paxton; 14. Walter Barker, Commercial National Bank, Peoria; 15. Albert Eads, Union National Bank, Macomb; 16. Ralph Metcalf, Sheffield & Co., Greenfield; 17. H. H. Marbold, Banker, Greenview; 18. A. J. Williford, Nokomis National Bank, Nokomis; 19. C. E. Wilson, Mattoon National Bank, Mattoon; 20. W. R. Ward, Exchange Bank, Benton; 21. G. H. Bradford, Stock Yards Bank, National Stock Yards, Illinois; 22. F. Bross, Alexander Co. National Bank, Cairo.

Delegates to American Bankers' Association -Homer W. McCoy, Merchants' National Bank, Peoria; James McKinney, Aledo Bank, Aledo; P. L. Mitchell, Mitchell & Lynde, Rock Island; Frank E. Brown, First National Bank, Cnicago; E. G. Keith, Metropolitan National Bank, Chicago: E. S. Lacey, Bankers' National Bank, Chicago; A. E. Ayres, M. P. Ayres & Co., Jacksonville; George W. Evans, Banker, Mount Vernon; Frank W. Tracy, First National Bank, Springfield; E. H. Whitham, Rankin, Whitham & Co., Rankin.

Thanks were voted the bankers and ladies of Peoria for their royal entertainment.

The convention then adjourned *sine die*.

Among the entertainments were a reception tendered the visiting ladies at the Women's Club house, and a banquet at the National Hotel.

INDIANA BANKERS' ASSOCIATION.

At the late annual convention of the American Bankers' Association, at Detroit, a number of Indiana bankers who were present took the preliminary steps toward forming an association of the bankers of that State. A provisional organization was formed, with Allen M. Fletcher, of Indianapolis, as chairman. Pursuant to call the first meeting was held in the assembly room of the Commercial Club, Indianapolis, October 20.

President Fletcher called the convention to order, and in the absence of the Mayor welcomed the bankers to the city.

After the report of the executive committee, George B. Caldwell, a National bank examiner, of Detroit, read a paper on "Postal Savings Banks," which was in part as follows:

Postal Savings Banks.—Address of George B. Caldwell.

"The question I raise here to-day for the consideration of this body is not the one born of jealousy because of a new competitor. though this is a serious question to some of you, which you have undoubtedly considered and already passed upon. The real question, however, is, I understand it, whether or not it is wise for the Government itself to engage in the banking business, and whether or not such a system of Savings banks is needed.

As I understand it, to establish postal Savings banks is to add to our Post Office Department, already burdened with responsibilities, the complex and greater responsibility of caring for the millions of dollars of the small savings of the masses and of insuring the repayment of every dollar thus deposited, with interest. Necessarily this compels the Government to do one of two things—either conduct a safety deposit busine s at considerable expense, which expense those who pay taxes must pay, or to engage itself in banking as much as does a certain class of Savings banks, trust companies and building and loan associations.

There are three things, therefore, that the Government and the people themselves should carefully consider before branching out in this direction. First, the amount of deposits, such as they propose to receive, now held in banks. Second, the effect of the Government assuming such a liability. Third, the benefit, if any, that the depositors and business world will sustain. Unfortunately, it is difficult to find statistics that will show the actual amount of deposits in the various banking associations that are purely savings.

The investigations made by the Comptroller of the Currency, and published in his report for 1896, shows that in 811 stock Savings banks and 677 mutual Savings banks a total deposit of $1,907,000,000 was held, and that nearly eighty per cent. of the above amount was held by the Savings banks in the New England States alone. It is also reported that balances of $500 and under comprise 97½ per cent. of such deposits, and that interest at a fraction less than four per cent. has heretofore been paid depositors on these deposits.

In connection with the above figures it should be noted that no reports were received from fourteen States and two Territories, and that only partial and incomplete returns were received from any other States, while the number of depositors and the amounts deposited in building and loan associations are not included. It is stated, however, that in the State of Massachusetts fifty per cent. of the population, or every second person—man, woman or child—is a depositor in this class of banks, and that in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut and New York the number of Savings banks and building and loan depositors was 45,000,000, which was 42$\frac{1}{10}$ per cent. of the whole. It is undoubtedly true that a more thorough canvass would succeed in increasing the number and amount of savings deposits, although this showing is sufficient for us to understand the magnitude of this branch of banking. If postal Savings banks are to be substituted or established, we would soon have instead of the 983 banks, from which the above figures are obtained. 70,360 post offices receiving deposits of from $1 to $500.

In a period of a very short time we would all of us undoubtedly be surprised at the enormous sums of money that would find its way into a Government depository, even though the rate of interest paid to depositors was considerably less than that which they now receive. There are many people to-day that are willing to forego the loss of interest entirely for the sake of security.

The last report of the Postmaster-General states that there is $519,000 in outstanding money orders over one year old, while many of you know of funds withdrawn from banks and held at home or locked up in safety deposit companies because of fear. Two things are here apparent, viz.: the enormity of the savings deposits and the necessity for safer and stronger depositories. The second question, namely, the result of the Government guaranteeing so large a deposit does, it seems to me, determine more than anything else that postal Savings banks are not feasible.

It is admitted by all who have carefully investigated this question that the British system of investment could not be followed in this country, as our public debt, which is only about $800,000,000, is already absorbed and could not with any profit be very generally re-purchased as security for such deposits. On the other hand, the class of people whom, it is urged, demand this class of depositories are generally opposed to the increasing of the public debt for any purpose whatsoever. There are those who are not practical bankers, but who are imbued with the idea that the Government should engage in this business, that argue for the investment of these funds the same as the banks that hold them do now.

Fancy if you can the 70,360 postmasters and especially the 66,725 of the fourth-class 'in the sparsely settled districts' receiving deposits and perchance acting as advisers to your Uncle Samuel in the matter of investments in farm mortgages and local securities. Such a diversion, to be indulged in by postmasters chosen for their political influence, is not a question for any substantial set of men to consider.

It appears that the question of investment was the question paramount when this subject was investigated by ex-Postmaster-General Wanamaker. In his report for 1891, he says, 'I have recommended that all the postal savings funds received within a State be placed on deposit with the National banks of that State in such amounts and at such rates of interest as the Secretary of the Treasury shall prescribe, and I have suggested that such savings deposits shall by special enactment be preferred claims against the National banks holding them. I do not believe any better security offers itself in the present state of the country.

The impracticability and the unfairness to banks now holding savings deposits that are not in the national system undoubtedly settled this question in the halls of Congress, and prevented the postal Savings bank scheme from becoming a reality.

The making of preferred claims out of Savings bank deposits not only diminishes the security of all other deposits, but creates a preference which the courts of equity and the law of common sense should not and do not recognize. If the Government is determined to guarantee deposits let them guarantee all deposits in banks under Government supervision, which problem is attracting a good deal of attention at this time, but had not been solved to the wisdom of the best thinkers or deemed practical by those engaged in banking. It is pointed out by the theorist who favors postal Savings banks that there are much needed public expenditures, such as Government buildings and the extension of the postal service, in which these funds could be used.

These same men forget what bankers recognize, that with every depositor there is to come a day of settlement and that under the most favorable conditions only can Savings banks make investments in long time securities, and then they carry a certain per cent. of their deposits as a reserve fund to provide for unusual demands. The investment of such funds in public buildings and current expenses of the Government would, I believe, open to the American people a quick road to the bankruptcy of this Government.

The handling of trust funds, the safe investment and ultimate return of that money with interest, is too great a responsibility and too serious a question in all its bearings to be surrendered to the wily politician, or to ever be successfully engrafted as a part of a democratic form of Government.

This brings us to our third and last question, the benefit that depositors and the business world would sustain. It is written in the Wealth of Nations that 'It is not by augmenting the capital of the country, but by rendering a greater part of that capital more active and productive than would otherwise be so, that the most judicious operations of banking can increase the industry of the country.'

The logic of John Stuart Mill has been verified. It is not a larger per capita of money that we most need, but a larger distribution and use. The establishing of a system of postal Savings banks, if it means anything, means the augmenting in the hands of the Government the enormous savings of the masses and the encumbering its present free use and wide distribution with the machinery of the Government bef re it can again be invested in any form whatever.

To change the present system means that millions of dollars already invested are to be liquidated in a short period of time, collected by the Post Office Department and redistributed through a new and different agency, much to the confusion of business and of loss to the industrial classes.

No one claims that the Government cannot compete with the banks of to-day in the diversified investments which are safe, which they are able to make, nor in the rate of interest now paid the depositer, nor in the better security for the deposit of our poor people than that already furnished by banks, except that it imposes a tax for any losses sustained by it upon the whole community.

That the savings depositor should be encouraged is admitted, but there is no better way or surer way than the interest rate such deposits now receive.

The real stimulant behind a Savings bank account is the fact that periodically the profits arising from the business are divided with him, and through the agency of competition there is little doubt but what the savings depositor gets by far the best end of the bargain.

People have learned that it is not necessary to become a shareholder in banks to participate in their earnings. Banks too liberally and too generally yield to their ambitions and pay more for their deposits in the way of interest than the dividends they are able to pay their shareholders. In the wide distribution of their earnings banks excel all other corporate institutions to-day.

A friend of the postal Savings bank idea upholds its necessity as a safe depository for the savings of the poor and ignorant, who are unable to themselves judge regarding the strength of our various monetary institutions. If there is any great number of our people that need a guardian I most respectfully recommend them to the trust companies, which are responsible and organized and equipped for serving such people. I can understand how the well wishers of the people desire to see at least one of the incentives to the habit of saving provided for the scattered population of the South and West, which it is now claimed are in some instances without adequate banking institutions, but I am certainly opposed, however great this necessity, to the Government engaging in the business of banking to even supply this want when it can be more profitably done to all concerned through other and better agencies.

As a business world we are just emerging from a depression of long duration and considerable loss, and if there is any one cause to which this can be attributed more than all else it is the fact that to-day and in the past the Government is in too many kinds of business.

Most of you are hoping that the coming session of Congress will enact some new legislation modifying our banking system and above all else divorcing the Government entirely from the banking business. Along this line should relief be sought to provide better banks and perhaps more of them for the use of the people, but why the question of a postal Savings bank should be brought forward as a part of the remedy for existing evils or supplying a better system than the one we now have, I cannot understand.

I agree fully with the advocates of postal Savings banks that the present system of banks is inadequate at least in two respects, viz., the greatest freedom and distribution of capital and the safety or security to depositors. The latter is a question which I fear cannot be reformed or remedied by government acts. The safety and security of deposits rests entirely upon the investments made by the banks, and to work out much of reform in this direction we must recognize more fully than we now do the importance and true relations of bank managers to the business of every community interested to them.

It is the banker that holds for safe keeping to-day the accumulated wealth of labor and capital. It is the banker that the man of a few dollars and the man of many dollars look to for guidance and correct judgment in the employment of this capital, and I therefore maintain that no banker, officer or director has a right to take that capital intrusted to his care and use it in speculative enterprises. Overcome this evil and you will have reformed the greatest weakness n our banking system. You will have drawn to you the respect and confidence of the public in a degree greater than is now measured by your deposits. You will have made the supervision of banks by the Government or State easy, losses will be reduced to a minimum and the necessity that some now imagine to exist in favor of postal Savings banks will be entirely removed."

Mortimer Levering, of Lafayette, took issue with Mr. Caldwell in a brief speech, expressing the belief that a system of postal Savings banks would greatly encourage the thrift of the people, and declaring that the Government was able to guarantee the safety of the investment.

George H. Russel, of Detroit, Vice-President of the American Bankers' Association, told of the operations of the Michigan Savings banks in their dual relation as savings institutions and commercial banks. He emphasized the objection to postal banks raised by Mr. Caldwell in the difficulty of undertaking the safe investment of the vast aggregate of deposits that would flow into them.

L. G. Tong, of South Bend, thought the wants of the people could best be subserved by the present means.

At the afternoon session Mr. Russel, of Detroit, was called on and made a brief speech, in which he referred to the benefits to be derived from bankers' organizations.

The question of the relations of trust companies and banks, one of the stated topics of discussion in the programme, was brought up, and I. H. C. Royse, of Terre Haute, spoke upon the functions of the trust company as distinguished from that of the bank. John H. Holliday, of Indianapolis, also discussed the topic.

The report of the committee on nominations, recommending the following offices for the ensuing year, was accepted and adopted:

President—Allen M. Fletcher, Fletcher's Bank, Indianapolis.
Vice-President—C. T. Lindsey, Cashier Citizens' National Bank, South Bend.
Secretary—Mord Carter, Cashier First National Bank, Danville,
Treasurer—E. L. McKee, Vice-President Indiana National Bank, Indianapolis.
Vice-Presidents from Districts:
First District—Henry Reese.
Second District—A. C. Voris.
Third District—Hugh Rothert.
Fourth District—W. F. North.
Fifth District—I. H. C. Royse.
Sixth District—J. B. Dougan.
Seventh District—J. R. Henry.
Eighth District—C. H. Church.
Ninth District—W. P. Herron.
Tenth District—Mortimer Levering.
Eleventh District—Milton Shirk.
Twelfth District—John Mohr, Jr.
Thirteenth District—Oliver G. Soice.
At Large—John H. Holliday, J. J. Perrin.

Executive Committee for One Year—W. P. Wellborn, J. L. Bayard, E. W. Menaugh, Jerome Allen, Q. A. Mount.

For Two Years—S. A. Morrison, A. G. Lupton, D. A. Coulter, W. W. Smith, L. G. Tong.

For Three Years—V. T. Malott, M. B. Wilson, W. H. Niblack, W. G. Irwin, Richard Ruddell.

Reports were received from the various Congress districts of the State, showing a general condition of prosperity.

In the evening a banquet was given at the Denison House. John H. Holliday, acting as toastmaster.

SECOND DAYS' SESSION.

At the second days' session the following resolution was adopted:

"*Resolved*, That the Indiana Bankers' Association regards the appointment of a non-partisan monetary commission by the executive committee of the Indianapolis monetary convention as a wise step in the direction of a better currency and banking system. The commission is composed of broad-minded, able and patriotic men, and this association trusts that its investigation of the financial systems of the world, and the conditions and needs of our own country, will be productive of a plan of currency and banking in support of which the people can heartily unite."

The committee on uniform laws made a report, which was accepted. The association will have another session before the next Legislature meets, and by that time the committee will have some recommendations to make upon the subject of legislation, particularly on Savings banks and warehouse receipts.

A resolution was adopted extending the thanks of the association to those gentlemen from outside the State that had assisted in its organization.

Morris M. White, of Cincinnati, President of the Fourth National Bank, made a brief talk in response to a request from the chair.

F. H. Stark, of Rockville, read a paper on currency shipments by registered mail, in which he strongly favored this method as being much cheaper and fully as safe as shipments by express.

John P. Frenzel, of Indianapolis, spoke on the profits of circulation. At the present price of Government bonds, he did not regard circulation as profitable.

The question of warehouse receipts was raised, and President Fletcher said they were a security little used in Indiana, because the legal safeguards against fraud were not sufficient.

The question of grace on a demand draft was briefly discussed and the opinion was expressed that a demand draft should be treated as such, without grace.

A. M. Fletcher, of Indianapolis; D. B. Cooper, of Greenfield, and Frank L. Powell, of Madison, were chosen delegates at large to the next meeting of the American Bankers' Association, and the convention adjourned after a brief word from President Fletcher, who said:

"Indiana, as she stands to-day, is in a far different condition financially than ever before. I quote from my friend whose statement was made the other night that she is far richer to-day than ever before, owes less to the East than ever before. We are not as dependent upon the East. We should do business within ourselves. So far as it is possible for us to do, we should keep our reserves nearer home than New York. The day has been when New York was altogether too far from us. The day may come again. I distinctly remember, and I guess many of you do, that we had some money tied up in New York which so far as any practical benefit to us was concerned, it might as well have been in hades. Now if we had attempted here in the West to pursue the policy they did there of shutting up that is what it was—you know what our fate would have been; we would never have been allowed to open. We, here in Indianapolis, and the various bankers over the State, had either to put up our money or shut up. There was no alternative. We have learned a lesson, gentlemen, that we should profit by."

KANSAS BANKERS' ASSOCIATION.

The tenth annual convention of the Kansas Bankers' Association met at Wichita, Oct. 28.

After the usual preliminary exercises President A. C. Jobes read his annual report.

The report was devoted principally to a review of the business conditions in the State, which he reported to be very much improved.

Secretary F. M. Bonebrake then read his annual report, in which he said:

"The number of member of members in good standing at the present time is 122, which is about twice as great as last year, and I think greater than any year since the organization of the association. While this is a fair showing, the fact remains that there should be more members and greater interest taken.

On October 1, 1896, (the last report) there were in the State 116 National, 283 State and 109 private banks, total, 508. Thus our membership numbers less than 25 per cent. of the banking institutions of the State. This shows that the bankers fail to appreciate the benefits of organization. The farmers, merchants, railroads, mines and mine owners and laboring men have their associations, attend their meetings, and discuss matters connected with their welfare, while the bankers, with more than $24,000,000 capital and surplus, and deposits aggregating $40,000,000, a total of $64,000,000, seem to take little interest in their common welfare."

At the second day's session officers were elected as follows:

President—A Dobson, Proprietor Bank of Ottawa.

Vice-President—E. W. Snyder, President Manufacturers' National Bank, Leavenworth.

Secretary—F. M. Bonebrake, Assistant Cashier Central National Bank, Topeka.

The association decided to adopt the group system of organization, and divided the State into four groups. It is expected that this will result in a largely increased membership.

The by-laws were amended to make the fee of membership for banks of more than $50,000 capital, $10.

E. Wilder, of Topeka, Treasurer of the Atchison, Topeka and Santa Fé Railway Co., read a paper on "Retiring the Greenbacks." He favored the retirement of the notes by funding them into twenty year two per cent. gold bonds, the bonds to be available for deposit in Washington as security for notes to be issued by the Government to banks and individuals, deposits of bonds to be made in the sum of $25,000 or multiples thereof.

F. P. Neal, Vice-President of the Union National Bank, Kansas City, Mo., read a paper on the relation of banking and commerce. In the course of his address he said:

"The banks of this country, by the very genius of their operations exclusive of any circulation issue, are furnishing more circulating medium than could be wrung, in an age, from the fastness of the Rocky ranges, or brought from the mines of India. It is confidence based on reason, the confidence of the depositor in his bank and its operations, the confidence of the banker in the business man to whom he loans and his faith in the borrower's enterprise, the mutual confidence of one business man in another, that enables the country to carry forward its vast business, and without which no conceivable amount of gold or silver would avail. An ounce of wise business confidence is worth more than sixteen ounces of either gold or silver."

John R. Mulvane, President of the Bank of Topeka, paid a glowing tribute to the material resources of Kansas. He said the people of the State were greatly encouraged at the improved business outlook.

E. A. Kelly, Cashier of the Union Savings Bank, Leavenworth, spoke on the new Kansas banking law. Though he thought the law was defective in some respects, it was upon the whole the best law that had been enacted in many years. The law, he said, is being wisely administered by the present State Bank Commissioner.

P. I. Bonebrake, President of the Central National Bank, Topeka, declared international bimetallism an impossibility, and said that the gold standard was a final conclusion reached by evolution and experience.

If any change were made in the present banking laws, he would suggest that National banks be permitted with a minimum capital of $10,000, that circulation be increased to the par of bonds, and that no bills be issued of a less denomination than $5.

On the last day of the convention W. C. Robinson, President of the First National Bank, Winfield, spoke on "Country Bankers." In his address he said:

"The country banker must in many cases be indulgent and forbearing, even beyond what might be considered sound in theory. Many times in our experiences if we had insisted on the exact fulfillment of the contract our customers would have been forced to the wall, his property dissipated and our debt not collected. But with a little forbearance and yielding of the exact conditions of the contract a good man has been saved and every dollar of the debt collected, and we have cemented to us a valuable friend. In many cases, especially during the past ten years, the country banker has been compelled to put his heart in his business as well as his judgment. While I think this idea may be carried too far, and sometimes cause us to suffer loss, I do not think the iron-clad rule given by eminent authority can be always successfully applied:

'No expectation of forbearance or indulgence should be encouraged. Favor and benevolence are not the attributes of good banking. Strict justice and the rigid performance of contracts are its proper foundation.'

This is sound in theory, but we find that we cannot put our theories, however good, always in practice. Some of our own best and most favorable customers have been saved to our bank and our community by taking care of them and being lenient and forbearing during trying times."

J. M. Harper, of the Bank of Conway Springs, gave a good description of the workings of the Canadian banking system.

J. D. Joseph, Assistant Cashier of the Bank of Whitewater, spoke in opposition to the establishment of postal Savings banks.

Porter Sherman, President of the Wyandotte State Bank, of Kansas City, Kas., followed Mr. Joseph in a paper in which he a serted that trusts were the logical result of high protection to which he announced himself as opposed. In the discussion that ensued J. R. Mulvane, of Topeka, spoke of the fact that he had been the first prospector to open up active work in the Ohio oil fields. At that time, he said, oil sold at 35 cents per gallon. Since the trust had the oil fields there they had reduced the price to the present low figure. Such a reduction would have been possible only through the agency of a trust, Mr. Mulvane thought.

R. T. Snediker, Cashier of the I. A. Taylor Banking Co., Hartford, Kans., spoke on the proper relations between labor and capital.

J. N. McDonald, President Traders' Bank, Baxter Springs, spoke on the comparative profits of banking.

Resolutions were adopted in favor of repealing the law allowing days of grace, and pledging support to the Monetary Commission.

On the evening of October 30, a banquet was tendered the bankers at the Carey.

Next year's convention will be held at Leavenworth.

KENTUCKY BANKERS' ASSOCIATION.

The sixth annual convention of the Kentucky Bankers' Association met in the Senate chamber at Frankfort October 6, and was called to order by President John H. Leathers, of Louisville.

After prayer by Rev. J. McCluskey Blayney, Col. Thomas Rodman presented to President Leathers a gavel made by two pupils of the manual training department of the Frankfort High School, the wood used being from two historic old houses.

Governor Bradley welcomed the bankers on behalf of the State, and in the course of his remarks said in substance:

"I believe that the farmer is better qualified than any other citizen to understand the time to plant and sow and reap and garner; that the physician more than any other man is skilled in the treatment of illness; the lawyer has superior advantages in the conduct of litigation; the blacksmith is better qualified to shoe the horse; the silversmith knows more of the mechanism of the watch; the minister in head and heart is the most competent to teach the plan of salvation. Why? Simply because each of them has made it his particular avocation, the study of a lifetime. So, too, I believe that the banker, who has studied the laws of supply and demand, the different rates of exchange, the different systems of currency, is better qualified to judge concerning such matters than the members of any other calling or profession.

The people do not hesitate to trust their savings with the banks, and yet there are those who revile and abuse them as if they were not decent members of society.

Our present system of banking is the safest and best the country has ever enjoyed. The percentage of dishonesty amongst bank officials, considering the vast amount of treasure under their control, is infinitesimal.

With an earnest wish that your deliberations may prove of benefit to the community and the State, that they will be directed to the common good and prosperity of the country, that each of you may feel that it was good for you to meet and have an interchange of views and the State may realize benefit from your meeting, as Chief Executive of Kentucky I welcome you to its capital."

Following Gov. Bradley Gen. D. W. Lindsey, President of the Branch Bank of Kentucky, welcomed the visitors on behalf of the local bankers.

President M. Cary Peter, of the Bank of Louisville, responded to the welcoming address briefly.

President Leathers then delivered the annual address, which was in part as follows:

"It is a pleasing fact that this meeting of our association is upon historic ground, the capital of our State, in which for more than a hundred years great political battles have been fought, and which, during that long period, has been the center of the social and political movements which have made Kentucky renowned and distinguished among all the Commonwealths of the Union. This city of Frankfort, for more than a century, has been famous for the patriotism of its people, for the culture and refinement of its society, and for those delightful phases of hospitality which have made the State illustrious both in America and in England for considerate kindness and polite attention for those who enter its borders; and I doubt not that the bankers of Kentucky will carry with them as delightful remembrance and as pleasurable recollections as those of the past who have come and departed from its midst.

At the time of the assembling of the association last year we stood face to face with a momentous situation. * * *

As we gather again in annual session, it must be a source of profound satisfaction to us all that though for a time we disregarded party affiliation and stood for the good of the people, results have vindicated our judgment and justified our action.

Magnificent crops have come to bless the land. The husbandman sees in the laws of nature a refutation of the silly notion that any one particular metal has anything to do with prices, that these are questions which are only affected by the laws of supply and demand. No wise man in looking over the situation in America to-day can doubt that the voters of this country reckoned wisely last November in adopting the gold standard as the true basis of American money, nor that this decision of the American people saved this country from the most terrible panic the imagination could picture and prevented almost absolute financial destruction. We are now upon the threshold of a great change, a change for the better, a change in which our people see increasing confidence, increasing stability and increasing prosperity as a reward for patience and persistence under very trying circumstances. I congratulate the bankers of Kentucky that in the great conflict we have passed through they have proved true to the demands of what they believed to be national honor and ignored party prejudice, and that in this conflict which oftentimes involved the severance of political relations which through so many years had been productive of so much pleasure and happiness, they have stood by what they believed to be right and followed their convictions rather than public clamor, and defended the honor of the American people against all who assailed it, even though the assault came from the hands of political associates and was claimed to be for the bettering of the suffering masses.

We have a goodly heritage; we have the best soil and finest climate in the world. Our products are famous throughout the land and our State ranks high both in commercial and financial importance with the other States of the Union.

The banking capital of Kentucky, National, State and private, aggregates in round numbers about forty-five millions of dollars, the largest of any State south of the Ohio river. * * * The deposits of all these institutions of our State aggregate approximately fifty millions of dollars. We have seventy-four National banks and one hundred and eighty-four State banks and seventeen private banks and eight trust companies. The State system, as will be seen, predominates largely in numbers in Kentucky, but both systems work together in perfect harmony.

The question of the future paper currency of our country is one that must soon confront us for solution. A commission composed of some of the ablest men of this country, entirely non-partisan in its nature, is now in session considering this great problem, and it will be their endeavor to outline some plan as the result of their deliberations that will tend to solve the question. Whatever may be done, it is to be hoped that this country will never return to the old State bank note issue, but that we shall not only have a sound and safe currency, but a universal oneness in any system we adopt. I think, no matter what plan we adopt, the Government should supervise it, and while all the flexibility possible should be given to our currency, it should always be kept as good as it is now.

It may be a matter of interest to our Kentucky bankers to know that we rank fifth State in the Union as to number of State banks; the fourth State as to capital invested in State banks, and the sixth State as to deposits in State banks. The membership of our association at the present time aggregates 178 members, and it is my pleasure to state that during the past year we have gained thirty-one new members. This association can be made a power for good to the banking interests of the State, and I sincerely trust that, from the good work the association is doing and the benefits that accrue to its members, the time is near at hand when every banking institution in the State will be enrolled among its membership.

During the past year serious and important questions have arisen, which have demanded the most careful consideration of your officers and your executive council. The most important of these is the question of taxation upon banking capital. The members of the association are familiar with the decisions of the Court of Appeals growing out of our contract with the State under the provisions of the Hewitt law. The banks that had accepted the Hewitt law and surrendered valuable charter rights by so doing, believed that the question was forever settled under the first decision rendered by the Court of Appeals affirming that law. The reopening of the question and the recent decision by that court declaring the Hewitt law to be unconstitutional, naturally created great confusion and consternation among the banks of the Commonwealth. Your officer received many letters from the members of our association asking for instructions as to what course to pursue. A meeting of the executive council was at once called and an able committee appointed who gave the most careful consideration to the subject and advised the banks throughout the State what course in their judgment was best to pursue. Some of the banks of the association united together and have appealed to the Supreme Court of the United States, and until that court renders its decision, the whole question of bank taxation must remain in a state of great uncertainty and more or less confusion must prevail all the time and the banks of the commonwealth be continually harassed by this vexed question.

If the highest court in the land decides against the validity of the Hewitt law the situation will be a grave one for the banks. In the cities and larger towns of the State where the municipal tax rate is heavy, amounting in some places to two per cent., with all the time tendency for lower rates of money, the heavy expense of doing business, the competition that forces a large amount of business at an actual loss to the banks that handle it, the future of banking business in Kentucky is not rosy-hued. In many of the smaller places where there is no municipal tax the recent decision is really an advantage to the banks, but in the larger places where the local tax is heavy it is difficult to see how the banks can live under the tax burden this last decision of the Court of Appeals seeks to impose on them. And what is to be done is a matter that requires the most serious reflection and demands the most thoughtful and careful consideration of all concerned.

It affords me great pleasure to make official recognition of the services of our competent and obliging Secretary, Mr. Bridges. Our excellent Treasurer, Mr. Hays, has in like manner been ready and willing to discharge any duty pertaining to his office and at all times to take a part in any work assigned him. I am under grateful obligations to the executive council for their advice and valuable counsel given at all times when called for.

In retiring from the office which it has been my privilege to fill I can not refrain from expressing my gratitude, for the confidence you reposed in me, first by choosing me for this honorable position, and the appreciation you manifested in my efforts to discharge its duties by my re-election for another term; I have been well and ably supported. I feel very proud of our association and the splendid record it has made during its brief existence, and I trust that every member will stick by the association and its work during the present year and the years that are to come.

'In union there is strength' is as applicable to banks as to other corporations and in these times, when the tendency of legislation is all against monetary institutions, their welfare and the best interests can be promoted and maintained by mutual co-operation and well-organized effort."

The reports of Secretary Bridges, Treasurer Hays and the executive council were followed by the announcement of the old committee and a new auditing committee, composed of B. M. Arnett, Nicholasville; James Barnett, Shelbyville, and R. S. Pollock, Greenup.

At the afternoon session the President announced the remaining committees. On motion of R. T. Smith, of Horse Cave, the association indorsed the action of the President in using association funds to capture and prosecute the bank forger Burton, captured at Lexington.

The president announced the inability of Judge A. P. Humphrey to prepare or read his paper on "Taxation of Banking Capital—Fairest Mode." Hon. A. E. Wilson took the place of Judge Humphrey on the programme and made a talk on the National Monetary Commission, in the formation of which at Indianapolis he was prominent.

In giving the history of the National Monetary Commission, Mr. Wilson said that, while the records did not show it, the non-political commission and the convention that created it were really and truly the outcome of the National Democratic Convention that met at Indianapolis. He said, Republican as he was, and with no desire to say anything of a political nature, he was going to say of that National Democratic Convention that a nobler, more patriotic, unselfish movement was never begun by any body of men in the recent history of the world. He paid tribute to the originators of the Indianapolis National Democratic Convention and characterized it as the inspiration that put Republicans and Democrats together in the effort which has resulted in the appointment of a non-partisan commission to take the money issue out of politics, and put it on a higher and broader plane.

He invited the Bankers' Association to send to the Commission its suggestions about what the changes in the present banking and currency system should be. In closing he made a plea for support and confidence for this patriotic, non-partisan commission and paid a tribute to Kentucky and Kentuckians for their stand in the fight for sound money.

The next paper was by John G. Winn, President of the Mount Sterling National Bank, on "Personal Credit."

Five-minute speeches were made by the following guests of the association: George Guckenberger, President of the Atlas National Bank, Cincinnati; B. W. Griffith, Vicksburg, Secretary of the Mississippi Bankers' Association; James R. Branch, Secretary of the American Bankers' Association. A telegram of regret and congratulation came from Wm. C. Cornwell, President of the City Bank of Buffalo, N. Y.

After the close of the day's session the vistors were given a ride around town by the Frankfort and Suburban Electric Street Railway Company, and were entertained by Manager George H. Watson at the George H. Stagg Company's distillery office.

In the evening a banquet was given at the Capital Hotel. Among the toasts were "The Commonwealth of Kentucky," Gov. Bradley; "Kentucky Bankers' Association," John H. Leathers; "American Bankers' Association," Logan C. Murray; "National Finances," Senator William Lindsay. Judge Lindsay doubted that the new Monetary Commission would do anything or have any more influence with Congress than the newly-elected President of the country. He said now that prosperity was returning they might look for no financial legislation till it was too late again to avert a panic.

J. D. Powers responded to "Green River Banking," but got off on the subject of water, and left it to be seen that he had missed things that sometimes appear at banquets. No wine was served at the banquet.

SECOND DAY'S SESSION.

At the final session, October 7, the Rev. Mr. Crane, of the Southern Presbyterian Church, prayed.

B. M. Arnett, of Nicholasville, offered a resolution thanking the George H. Stagg Company and others for their entertainment, and the resolution was adopted.

The President called upon the following gentlemen by congressional districts, beginning with the First: S. N. Leonard, Eddyville; William Elliott, Henderson; C. G. Smallhouse, Bowling Green; J. S. Barret and M. Cary Peter, Louisville; J. S. Grimes, Elizabethtown; Col. Thomas Rodman and C. E. Hoge, Frankfort; J. M. Johnson, Lawrenceburg; R. S. Pollock, Greenup; A. H. Hampton, Winchester; R. C. Ford, Pineville. They were asked for statements as to the condition of business, crops, etc., in their respective sections. Their short talks told without exception of reviving business of every kind; of good crops, with late ones slightly injured by the drought; of as much ready money as could be disposed of upon judicious loans.

B. W. Griffith, Secretary of the Mississippi Bankers' Association, gave an interesting talk, and promised that while still behind Kentucky, Mississippi was making strides toward the prosperity that industry, enterprise, economy and a stable currency are sure to bring.

The address on "Savings Banks" by Mr. George C. Thompson, of Paducah, was next on the programme. Mr. Thompson accused the President of selecting for him a subject that contained little of interest, there being no Savings banks in Kentucky or law providing for them. He, however, made a most interesting address, showing why the old Savings banks were possibly successes; why there was no law permitting such successes at present. In describing the great Savings institutions of New York and the East he said he did so with the idea that the association at some time would favor the enactment of laws permitting similar institutions in Kentucky. He believed that Savings banks could be made to succeed, but not in the small towns, where they would be liable to be swept away by every panic.

John W. Rodman, of Frankfort, spoke on "Kentucky—its Resources." In paying tribute to some noted Kentuckians Mr. Rodman said of John G. Carlisle:

"There is one man among the sons of Kentucky who, by his eminent ability, his patriotism and his unflinching adherence to the fundamental principles of his party and the eternal principle upon which the stability of this Government rests, has proven himself to be greater than his party; who sacrificed and threw aside all political preferment and in the face of mobs and bitter denunciation of the excited people of his State and nation boldly and fearlessly advocated the principles and measures which are as necessary to the salvation of this Republic as the air we breathe or the sun that shines upon us. When the history of this last quarter of a century shall have been written by an impartial historian, the name of John G. Carlisle will be inscribed upon its pages as one of the greatest and ablest statesmen that this continent ever produced."

The report of the committee on nominations was adopted in full as follows:

President—J. D. Powers, President First National Bank, Owensboro.

Vice-Presidents—Samuel B. Hughes, President City National Bank, Paducah; Wm. Elliott, President Farmers' Bank of Kentucky, Henderson; C. G. Smallhouse, President Warren Deposit Bank, Bowling Green; B. W. Penick, Cashier Greensburg Deposit Bank, Greensburg; G. W. Lewman, President First National Bank, Louisville; R. Perry, Warsaw; Thos. Rodman, President Farmers' Bank of Kentucky, Frankfort; J. A. Middleton, President Farmers and Traders' Bank, Shelbyville; J. J. Lacy, Cashier Farmers' Bank, Owingsville; A. H. Hampton, Cashier Citizens' National Bank, Winchester; H. C. Baker, Vice-President Bank of Columbia.

Secretary—Isham Bridges, Manager Louisville Clearing-House.

Treasurer—E. W. Hays, Cashier of the Bank of Kentucky, Louisville.

Executive Committee—S. N. Leonard, President Farmers' Bank, Eddyville; H. C. Rodes, Vice-President Citizens' National Bank, Louisville; John H. Leathers, Cashier Louisville Banking Co., Louisville.

NEW YORK—GROUP MEETINGS.

Group VI.

Through the courtesy of Hon. John B. Dutcher, President of the National Bank of Pawling, Group VI of the New York State Bankers' Association met at the Dutcher House, in Pawling, October 20 and 21.

On the evening of the 20th Mr. Dutcher entertained his guests to the number of about one hundred at a dinner at the Dutcher House. Bradford Rhodes, chairman of the group, presided. He proposed the health of the host, and Mr. Dutcher responded very happily, welcoming his guests. Speeches were also made by Hon. A. B. Hepburn, Vice-President of the National City Bank, New York, and President of the New York State Bankers' Association; Gen. Daniel Butterfield, President National Bank of Cold Spring-on-Hudson; Hon. S. M. Griswold, President Union Bank, Brooklyn; Alvah Trowbridge, Vice-President of the Bank of North America, New York, and Chairman of the Executive Council of the American Bankers' Association: Burton C. Meighan, representing the Mamaroneck Bank; Charles Adsit, Cashier of the First National Bank of Hornellsvile, Chairman of Group 3; ex-Senator John I. Platt, of Poughkeepsie, and the Rev. Dr. Perry, a Baptist minister of Pawling. An incident of the after-dinner ceremonies was the presentation of a handsome silver-mounted rosewood gavel to Mr. Rhodes by members of Group VI as a mark of their esteem. The presentation speech was made by David Cromwell, President of the White Plains Bank.

After the speechmaking there was a reception and dance by the members and their guests at the Pawling Opera House, adjoining the hotel.

The business meeting was held on the morning of October 20. Resolutions were adopted pledging support to the Monetary Commission, now in session at Washington, and favoring a national bankruptcy law.

The subject of bank taxation was thoroughly discussed, Mr. Charles Adsit, Cashier of the First National Bank of Hornellsville, making a clear presentation of existing inequalities. The MAGAZINE hopes to publish Mr. Adsit's remarks in a later number.

The election for officers for the year 1897-'98 resulted as follows: Chairman of Group, David Cromwell, President of the White Plains Bank; secretary and treasurer, T. Ellwood Carpenter, President of the Mount Kisco National Bank; and the following executive committee: Charles F. Van Inwegen, President of the First National Bank of Port Jervis; Peter

J. Elting, Vice-President of the Citizens' National Bank of Yonkers; Charles Bray, Vice-President of the First National Bank of Rondout, Kingston; John T. Smith, President of the First National Bank of Fishkill-on-Hudson; and Frank Wells, Cashier of the First National Bank of Brewster.

The members of the group and their guests, including many ladies, were highly pleased with the social features of the meeting and the handsome manner in which Mr. Dutcher entertained all who were present.

GROUP VII.

The annual meeting of Group VII was held at the Montauk Club, Brooklyn on the evening of October 27. Chairman Walter E. Frew, President of the Queens County Bank, Long Island City, presided. Addresses were made by President Frew, Hon. A. B. Hepburn and Alvah Trowbridge, of New York; and by Stephen M. Griswold, President of the Union Bank, Brooklyn; John G. Jenkins, President of the First National Bank, Brooklyn, and H. Bernard Coombe, Cashier People's Bank, Brooklyn.

The election of officers then took place as follows: John A. Nexsen, Cashier of the Fulton Bank, chairman; Frank Jenkins of the First National Bank, secretary and treasurer; executive committee: H. J. Oldring, President of the Mechanics' and Traders' Bank, Brooklyn; H. B. Coombe, Cashier of the People's Bank; J. Loughran, President of the Manufacturers' National Bank; J. M. Brush, President of the Bank of Huntington; S. M. Griswold, President of the Union Bank, Brooklyn.

GROUP VIII.

Group VIII of the New York State Bankers' Association (New York and Richmond Counties), held a meeting in the Downtown Club rooms on the afternoon of October 23, for the purpose of electing officers, and to discuss the financial situation. Speeches were made by Frederick B. Schenck, the retiring president and by Joseph C. Hendrix, A. B. Hepburn and others.

The officers chosen are as fol ows: Chairman, Thomas L. James, President of the Lincoln National Bank; secretary and treasurer, Charles H. Stout, Cashier of the National Bank of the Republic. Executive Committee—Stephen Baker, chairman, President of the Manhattan Company; Alexander Gilbert, President of the Market and Fulton National Bank; Charles Olney, Cashier of the Bank of New York, N. B. A.; and F. L. Hine, the Cashier of the First National Bank.

PENNSYLVANIA BANKERS' ASSOCIATION.

The third annual convention of the Pennsylvania Bankers' Association was held at the Park Hotel, Williamsport, October 6 and 7.

President T. F. Day called the convention to order and it was opened with prayer by Rev. Edward Henry Eckel, Rector of Christ Episcopal Church.

H. C. Parsons, chairman of the local committee of arrangements, was then introduced and extended a welcome to the visitors. President Day responded and then read his annual address.

He spoke of the good work which has been and can be accomplished by the association and said:

"In times when money is abundant there is much more occasion for watchfulness and care than in time of stringency, as the anxiety to get the idle money into use often causes the making of loans that would not be taken under other conditions.

I hope some arrangements will be made in the near future in regard to a credit bureau through which we will be able to obtain information in regard to large borrowers, and yet the matter will be handled in such a way as to be only a protection and no unnecessary information in regard to people's affairs should be given abroad."

Secretary A. D. Clark reported the present membership of the association to be 404, an increase of fifty-one during the year. Treasurer Shumaker announced a balance on hand of $2,157.06. The receipts from dues during the year were $3,455.

Reports were then read from the eight groups, showing a generally satisfactory condition. Numerous meetings have been held, and considerable interest has been manifested.

At the afternoon session James H. Willock, President of the Second National Bank, of Pittsburg, suggested the advisability of the association adopting resolutions setting forth their views on the currency question. He said the country was on its way to great prosperity and this was apt to cause the people to lose sight of the dangers which threatened a year ago and which may threaten again. "We should not let up in our fight at any time," he said. "The danger is still lurking around."

He gave a brief sketch of what he thought the resolutions should recommend. He thought the management of the United States Treasury should be divided into two departments—one department to deal with issue and redemption, the other with revenue and disbursement. He would also recommend the gradual retirement of the legal-tender notes.

R. E. James, President of the Easton Trust Co., spoke also on the importance of action on the currency question.

The president was authorized to select a committee to formulate resolutions on the subject.

A motion to appoint a committee on legislation precipitated a lengthy discussion and was finally voted down.

After the appointment of committees on resolutions and nominations, a recess was taken until Thursday, October 7.

At the second day's session the first feature of the programme was an address by J. T. Brooks, President of the Farmers' National Bank, Salem, Ohio, and Vice-President of the Pennsylvania Company. He said, in part:

"The action of the New York Clearing-House Association in those days [the panic of 1893] has seemed to me to be symbolic of as high patriotism and unselfishness as ever was exhibited by a soldier on the field of battle. Those associated banks massed their assets together; they allowed their members to draw upon each other on approved securities and settle all their balances in clearing-house certificates, and retain all their money to satisfy depositors and their western correspondents whose claims were coming in upon them daily and hourly. I think the action of the New York Clearing-House Association in those days of June, 1893, deserves a record in the highest annals of beneficence. * * *

There is no relationship existing among men more sacred than that which subsists between the officials of the banks and the public. Why is it so? First, the bank is exactly what its President and its Cashier are. In ninety-nine cases out of a hundred, perhaps unfortunately, but nevertheless it is true, a bank depends upon what the President and Cashier are. How important it is, therefore, that they should be men of a high sense of honor, men entirely free from the gambling instinct, whether it takes the form of cards or dice, or grain or metals. * * *

Where this splendid superb trust and confidence is laid by the public in the President and Cashier of a bank is there not a high and sacred duty imposed upon them to exert themselves to their utmost, as there is to the patriotic soldier, to do everything in his power to merit the continuance of that confidence in order that the stockholders may receive their money and the depositors may get their money when the bank is wound up?

I would be glad, therefore, in continuation of this one thought to suggest to you that in our hearts at least we reverse the statement that the object of creating a bank is to make money for the stockholders, and say that the highest object of a bank is to be able to pay its debts in full when they are demanded. If that should become the principle of all the banks of the United States honor enough would follow that Cashier and President, profit enough would come to the stockholders of that bank, just as inevitably as the shadow follows the substance. And I do think that careful regard for the duties of our position, its importance, the responsibilities that are upon us, should ever be before our eyes in every transaction carried on by a bank. * * *

If the banks and bankers of the United States were resolved, in a high purpose, for the more perfect fulfillment of their duty as bankers, conscious of the inexorable strength which they exercise over the business of the country, they would keep forever a bridle upon the gambling business of the country. Then very few banks would fail; very few business men would fail. * * *

The first, and the overshadowing one of all questions to every banker, is that the country should have a good, sound and stable currency. * * *

It is more important than any and all other topics that can be considered in a bankers' convention. * * * We need a single standard of money of the best and most enduring metal that can be found, and there is nothing that answers those conditions like gold. * * *

And there I am reminded to stop a moment in this interesting train of thought to illustrate how effectively the banker could restrain extravagance if his mind was intent upon his high duty—if he had a proper theory of his profession. He would see that it is not merely to make money here, but that it is to repress the speculative spirit in the land. If bankers could only do that I believe panics in this country would be reduced one-third—simply by banks exercising their sound judgment as to whether an old-time customer who has dealt with them for years should be allowed a further line of discounts when they come to the conclusion that he has gone far enough. * * *

We all know as a part of our every-day life what it is that wrecks banks. We have either stolen the money or allowed somebody else to steal it, or we have loaned money on insufficient collateral, or, what is the same thing and more common, we have loaned too much to one man or in one place."

Eugene H. Pullen, Vice-President of the National Bank of the Republic, New York, was the next speaker, his theme being "Our Obligations." He made a very practical talk on the duties of stockholders, directors and officers.

The following preamble and resolutions, presented by James H. Willock on behalf of the committee on resolutions, were adopted:

"*Whereas*, the currency system, which for so long a time has been a continuous threat to business life, still remains without change or amendment; and

Whereas, the temporary relief caused by favorable trade conditions may be speedily followed by a period of renewed business disturbance and destruction of values; therefore,

Resolved, That we reaffirm our belief in the necessity for the maintenance of the existing gold standard of value, and of a speedy change in our system of currency legislation to the end that the country may have a simple, uniform, stable and redeemable currency, sufficient in amount to meet the necessities of the whole country, and free from the attacks consequent upon the doubt as to the ability of the Government to maintain its credit.

Resolved, That we approve and commend the action of the monetary convention held at Indianapolis last January in appointing a monetary commission, and pledge the assistance of the Pennsylvania Bankers' Association to the eminent commission now in session at Washington, in every effort of theirs that has in view the establishment of a currency system sufficient and secure."

Officers for the ensuing year were chosen as follows:

President—Wm. Hackett, Cashier Easton National Bank, Easton.

Vice-President—Henry C. Parsons, President West Branch National Bank, Williamsport.

Secretary—E. H. Reninger, Secretary and Treasurer Lehigh Valley Trust and Safe Deposit Co., Allentown.

Treasurer—D. McK. Lloyd, President People's Savings Bank, Pittsburg.

Delegates to American Bankers' Association—R. L. Austin, President Independence National Bank, Philadelphia; John H. Maltzberger, Cashier Keystone National Bank, Reading; Wm. Hackett, Cashier Easton National Bank, Easton; John G. Reading, Jr., President Susquehanna Trust and Safe Deposit Co., Williamsport; James A. Meyers, President Columbia National Bank, Columbia; John D. Roberts, President Johnstown Savings Bank, Johnstown; A. D. Clark, Cashier Kane Bank, Kane; O. C. Burgdorf, Cashier German National Bank, Pittsburg.

On motion of Wm. H. Rhawn, President of the National Bank of the Republic, Philadelphia, the following was adopted:

"*Resolved*, That the Council of Administration be authorized and directed, as soon as conveniently may be, to organize a chapter of this association, to be known as the Morris Memorial Chapter of the Pennsylvania Bankers' Association, the object of which shall be the securing of the means for the purpose and the erection in the city of his adoption, Philadelphia, of a statute in bronze of Robert Morris, the patriotic financier of the Revolution and the founder of the first organized bank in the State of Pennsylvania, and the United States."

Votes of thanks were tendered Mr. Brooks and Mr. Pullen for their addresses, also to the local committee and the citizens of Williamsport for their generous entertainment, after which the convention adjourned.

The delegates were given a carriage ride about the city, and at night they participated in a banquet at the Park Hotel. The banquet was one of the finest ever given in the city. The decorations were superb and the menu an elaborate one. There were 200 guests present.

Canada's Postal Savings Banks.—Touching the question of Government Savings and Post Office Savings banks, institutions which furnish the Government at Ottawa with the use of a large and growing aggregate of deposit moneys of the people, it is well to consider the position. Here is an aggregate of $49,000,000 which is held by the Government and invested in public works, instead of being used by merchants and forwarders. It is a portion of the public debt, though no specific paper obligations are issued against it. Year by year interest accumulates upon this, say, a million and a half every year. How do our finance ministers treat this additional debt? He would be an uncommonly frank minister who would not be satisfied to have the public consider that such accrued interest formed a portion of his yearly surplus. And no application to Parliament is made for permission to increase these principal borrowings from the people to $60,000,000, or $80,000,000, or $100,000,000, while specific parliamentary authority is required to effect a debenture loan of even a million abroad. There is an inconsistency here, and the anomaly is by no means free from hazard. In England deposits of a like kind, the savings of the people, are invested in consols, a very different disposition of them. Another consideration in this connection, and not a slight one, is that the Government pays for these deposits 3 per cent., *plus* the cost of administration, whereas our newest loan of $10,000,000 will probably be floated to yield, including all expenses, a rate of about 2¾. Is not this questionable economy?—*Monetary Times* (*Toronto*).

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—The Fifth Avenue Trust Company is being organized with $500,000 capital and $500,000 paid-in surplus. Some of the best-known bankers and other capitalists of the city are among the incorporators.

—Banks which clear through members of the clearing-house association are now furnishing a weekly statement for publication. The banks which are not members but clear through other members have capital and net profits of over $17,000,000, about $60,000,000 in loans and investments, and more than $64,000,000 of deposits. There are fourteen National and thirty-eight State banks in the list.

—The Government has arranged to deposit in the National banks of New York and other cities the money received from the recent sale of the Union Pacific Railway. It is understood that sums will be deposited as follows: National City, $15,000,000; Chase, $2,000,000; Hanover, $2,000,000; National Bank of the Republic, $800,000; American Exchange, $500,000; Seaboard, $500,000. Other banks will also be designated as depositories later.

—Theodore W. Myers, former Comptroller of the city, has re-engaged in the banking and brokerage business, the new firm being Theodore W. Myers & Son, 20 New street.

—Alfred De Cordova & Co., for twenty years at 36 New street, have removed to 30 Broad.

—John E. Borne has been elected President of the Colonial Trust Company, in place of ex-Governor Roswell P. Flower, resigned. Mr. Flower was elected Honorary Vice-President.

—Mr. Acosta Nichols has been admitted to partnership in the banking house of Spencer Trask & Co.

—It is reported that the New York banks have loaned considerable money to London on long sterling bills.

—George F. Moger has been appointed Assistant Cashier of the Broadway Bank, Brooklyn.

—Louis V. Bell has retired as a special partner in the firm of Bell & Co.

—The Colonial Trust Co. is now doing business in its handsome offices on the ground floor of the St. Paul Building at Ann Street and Broadway. This company has $1,500,000 capital and surplus, and will do a regular trust and banking business.

—William Combes Dunham, for eleven years receiving teller of the Hanover National Bank, died October 23, in the forty-third year of his age.

—Owing to some changes in the manner of levying taxes, when the consolidation of New York and Brooklyn goes into effect, the Brooklyn banks will be deprived next year of a large amount of city money usually deposited with them.

—The Yokahoma Specie Bank, Limited, has removed from its former location to Nos. 63 and 65 Wall street.

—The National City Bank now has the largest volume of deposits of any National bank in the country.

—At a meeting of the directors of the Hamilton Bank on October 27, William F. Gray, Vice-President of the bank was elected President, to succeed the late David F. Porter, and Edwin F. Schenck, Cashier, was elected Vice-President in Mr. Gray's place. Mr. Schenck will continue also as Cashier.

NEW ENGLAND STATES.

Boston.—It is expected that a considerable part of the money which the Government will receive from the sale of the Union Pacific Railway will be deposited in some of the National banks here, as the local holdings of these securities are large.

Restraining Order Continued.—The Willimantic (Ct.) Savings Institute, which was restrained from paying dividends and deposits on February 8 last, has been permitted to pay out ten per cent. of its deposits. Some of the bank officers were in favor of resuming business, but the Bank Commissioners were of the opinion that the assets would be best preserved by continuing the injunction for another year, with the modification as above stated.

MIDDLE STATES.

Syracuse, N. Y.—As the subscription to the stock of the proposed Citizens' Bank came in so freely, it has been decided to make the capital $200,000 instead of $150,000, as at first intended. It is expected that the bank will be ready for business about December 1.

Rochester, N. Y.—The Union Trust Company, capital $200,000, has filed articles of incorporation.

Philadelphia.—Charles W. Klauder has been elected President of the Manayunk Trust Company.

—The Fourth Street National Bank reached its high-water mark on the 2d inst., when its deposits amounted to $15,288,708. When it is considered that the bank has only been doing business for eleven years, its growth is certainly remarkable, and reflects great credit on its officers and directors for the able manner in which they have conducted its affairs.—*Philadelphia Price Current.*

New National Bank.—Preliminary steps have been taken to organize a new National bank at Glyndon, Md.

New Jersey Bank Taxation.—It is reported that the State Board of Taxation will recommend the enactment of a law compelling the chief financial officer of each bank to furnish the State Board of Taxation annually a sworn statement of the names of the holders of the bank's stock, as well as the stockholders' residences and the amount of stock held by each one. It is alleged that under the present law a large part of the bank stock held in the State escapes taxation.

Pittsburg.—On October 29 the building of the Union Trust Company was destroyed by fire, but all the papers and records were saved in good condition. The company has taken quarters at 244 Fourth avenue.

Appointed Bank Examiner.—Alvah H. Grow, of Lock Haven, Pa., has been appointed a bank examiner in that State, to succeed Oscar A. Neff, resigned.

Maryland Bankers' Association.—Lawrence B. Kemp, Secretary, sends the MAGAZINE a copy of the report of the proceedings of the second annual convention of the Maryland Bankers' Association, held at Cumberland, June 2 and 3.

It is a handsome pamphlet, appropriately bound in a cover of gold, symbolical of the metal upon which the banking business of Maryland is based. Indeed, the first act of the Maryland Bankers' Association was to pass a strong resolution against the free coinage of silver and in favor of maintaining the gold standard, and this was reaffirmed at the second convention.

The banks of Maryland will stand comparison with those of any other State in the Union and their association is one of the most effective in the country.

SOUTHERN STATES.

Atlanta, Ga.—At the recent annual meeting of the clearing-house association Frank Hawkins, Jr., was elected President and Geo. R. De Saussure Vice-President for the ensuing year. Thos. C. Erwin, Treasurer, and Darwin G. Jones, Secretary and Manager, were re-elected.

The following banks are members of the association:

Atlanta National Bank, Lowry Banking Company, Capital City Bank, Fourth National Bank, Maddox-Rucker Banking Co., Neal Loan and Banking Co., Third National Bank, Exchange Bank.

North Carolina Banks.—A report sent out by the Treasury of North Carolina on October 1 shows a total of ninety-four banks doing business in that State, of which twenty-seven are National, forty-five State, sixteen private, and six Savings. The aggregate resources of the banks is $19,621,582, and the individual deposits $5,078,397, of which the National banks hold $5,078,397 and the State banks $2,909,546, the balance being in the Savings and private banks.

Branch Bank Established.—The Merchants' Bank, of Florence, Ala., has opened a branch at Tuscumbia in that State.

Banks May Consolidate.—It is reported that efforts are being made to effect a consolidation of the National Bank of Savannah, Ga., and the Merchants' National, of that city.

New Private Bank.—Wright & Weskolski opened a private Bank at Cordele, Ga., November 1, with $50,000 capital.

Norfolk, Va.—The Bank of Commerce will increase its capital from $100,000 to $200,000.

Georgia Banking Laws.—A committee representing the Georgia Bankers' Association recently called on Gov. Atkinson and requested him to call attention in his message to the Legislature to the urgent need of a revision of the banking laws of the State.

Rome, Ga.—A new institution is being organized, to be known as the Citizens' Bank. It will have $50,000 capital.

Debt of North Carolina.—The interest-bearing bonded debt of North Carolina amounts to $6,086,250, and the total annual interest $297,850. The State has an annual income of upwards of $195,000 from its stock in the N. C. R. R. Co.

Raleigh, N. C.—This city recently sold to Estabrook & Co., Boston, an issue of $50,000 in bonds at 109.327. This is an advance of about three cents on the dollar over the last issue sold, indicating a high credit for the city.

WESTERN STATES.

Chicago.—Hon. James H. Eckels, Comptroller of the Currency, has been elected President of the Commercial National Bank, to succeed the late Henry F. Eames. It is said that Mr. Eckels will not assume the duties of the office until about the first of next year. He will have associated with him in the management of the institution two men with whom he has formerly been closely associated. John C. McKeon, formerly bank examiner of this district and lately Receiver of the National Bank of Illinois, will be Vice-President, and Joseph C. Talbot, the present bank examiner of this district, will be Cashier. They will assume their new duties January 1 with Mr. Eckels.

—The Illinois Trust and Savings Bank has opened extensive safety deposit vaults in the basement of its new building at La Salle and Jackson streets.

Coshocton, Ohio.—The ill effects on business which might have followed the recent closing of the Farmers' Bank here were averted by the prompt action of the Commercial Banking Company, which extended credit to the business men whose funds were locked up in the closed bank.

The Commercial Banking Company, for the past twenty-five years, has always supplied accommodations to its customers, and even in the panic of 1893 none of the manufacturing industries doing business with this bank had to close for want of funds. The bank has been a material factor in the progress of the town and in promoting the prosperity of its citizens.

Kansas Banking News.—The First State Bank, Garnett, Kan., opened for business on October 4, with $20,000 capital.

—The Bennington Banking Company, of Bennington, which closed a short time ago because of the death of the principal owner, has resumed as a State bank.

—It is reported that the Farmers and Merchants' Bank, of Pratt, has sold its business to the People's Bank.

—The Bank of Western Kansas, Garden City, has sold its business to the First National Bank.

Form of Organization Changed.—It is reported that the Alexandria (Ind.) National Bank has changed to a private bank, reducing its capital from $50,000 to $30,000.

Bank Goes Into Liquidation.—It is stated that the First National Bank, New Albany, Ind., will go into liquidation because of light business. The bank has done business for thirty-two years, and has always paid dividends, but on account of the small demand for money and the competition of the Louisville banks, it now finds business unprofitable. Depositors will be paid on demand, and stockholders will get back their investment and a surplus.

Capital Stock Reduced.—The Butler (Ky.) Deposit Bank has reduced its capital from $25,000 to $15,000.

Louisville, Ky.—It is said that the State authorities contend that the trust companies are doing a banking business, contrary to the provisions of the new constitution. On behalf of the trust companies it is claimed that the receiving of deposits in the present manner does not constitute a banking business, according to the terms of the statutes.

Kansas City, Mo.—The statement of the Kansas City banks at the close of business October 5 shows that deposits have increased $6,000,000 in eleven weeks.

New Bank Incorporated.—The Citizens' Bank, capital $25,000, has been incorporated at Fulton, Ky.

New Dakota Banks.—A charter has been issued to the La Moure County Bank, of Kulm, No. Dak., capital $10,000; also to the Bank of America, at Bisbee, capital $5,000.

Action Against Banker Dismissed.—The case against W. R. O'Hearn, formerly cashier of the Jackson County Bank, Black River Falls, Wis., for receiving deposits while the bank was insolvent, was dismissed on October 5 for want of evidence. The bank has reorganized and resumed business some time ago.

Detroit, Mich.—Early on the morning of October 7 fire destroyed the Detroit Opera House building, in which the Central Savings Bank was located. The bank promptly secured large and well-appointed offices at 151 Griswold street, and opened for business that morning at the usual hour, without inconveniencing its customers or experiencing the slightest confusion in any of its departments.

—The Detroit Bankers' Club held its first annual banquet at the Russell House, October 13, President Emory Wendell presiding. There were sixty members and guests present, prominent among the latter being Hon. Peter White, of Marquette.

—The Wayne County Savings Bank of this city has had a remarkable growth. It was organized in August, 1871, and opened for business on October 2 of that year. In 1877, the deposits had grown to $1,500,000, and they continued to increase right along, being $2,400,000 in 1881, and $3,399,309 in 1883, and $6,559,642 on January 1, 1897. By July 10 of the present year the deposits had further increased to $7,499,378. The bank has recently issued a most attractive folder illustrating the handsomely appointed banking rooms and office building which the bank owns and occupies. Much of the gratifying progress of the bank is due to the management of President S. Dow Elwood, who has been connected with the institution since its organization.

New Savings Bank.—Articles of association of the State Savings Bank, Laurium, Mich., capital, $50,000, have been filed with the State Bank Commissioner.

New Banks in Kentucky.—C. C. Ricketts and others are organizing a new bank at Lebanon Junction, Ky., with $15,000 capital.

—Subscriptions are being obtained to the stock of a new bank at Murray, Ky.

—A charter has been issued to the State Bank and Trust Co., of Richmond; capital stock, $150,000.

An Indiana Bank Robbed.—On November 2 the Bank of Shipshewana, Ind., was robbed of over $10,000 by burglars who blew open the vaults.

PACIFIC SLOPE.

San Francisco.—The annual meeting of the Bank of California was held October 12. The financial report of the Secretary showed assets amounting to $17,184,209; average cash movement per month, $67,645,586, and the total for twelve months, $811,747,042; net earnings for the year, $3,645,790. At the election the former directors and officers were re-elected.

—It is reported that the Nevada Bank has sent circulars to its shareholders asking their consent to a change to a National bank.

—On December 1 the Sather Banking Co. will reorganize as the San Francisco National Bank; capital, $500,000.

—The annual meeting of the Nevada Bank of San Francisco was held October 13. The financial statement showed assets amounting to $10,492,990, of which $3,063,196 was in cash on hand. The earnings for the year were $357,697, out of which dividends were paid amounting to $180,000. The net balance of profits was $53,450.

—Frank V. McDonald, former Cashier and director of the Pacific Bank, which he piloted to wreck, died in London on October 4. He had been a fugitive from the sheriff of this city for three years before his death.

—It is stated that Chas. E. Knight, a bookkeeper in the employ of the Crocker-Woolworth National Bank, will be appointed a National bank examiner.

Wyoming Banks.—State Examiner Harry B. Henderson sends to the MAGAZINE a tabulated statement showing the condition of the State and private banks of Wyoming at the close of business October 5. The deposits of the State banks are $238,662 and the private banks $753,140, the aggregate showing an increase of $289,000 over a year ago. The per cent. of reserve to liability is 59.8 in the State banks and 40.5 in the private banks.

New Bank in Washington.—The Bank of Rosalia, Wash., is reported organizing with $25,000 capital.

Bank Winds Up.—The State Bank, of Cheney, Wash., has paid depositors and gone out of business.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Kansas.—The State Bank, Walnut, was closed by a Bank Examiner, October 27. Liabilities are about $16,000, which are offset by $6,000 cash on hand, and other resources.

—The Bank of St. Francis went into voluntary liquidation October 19.

Maine.—The Treasurer of the suspended Lubec Savings Bank was recently placed under arrest. It is said that investigation has shown an apparent shortage of $20,000 in his accounts.

Michigan—The Grayling Exchange Bank, of Grayling, closed November 2. It is reported that depositors will lose about $25,000.

Minnesota—MINNEAPOLIS.—A report of the Receiver of the Bank of Minneapolis recently filed shows assets of an estimated value of $137,569, and liabilities exclusive of capital stock, $107,940.

New York—NEW YORK CITY.—On October 28 the banking and brokerage firm of Read, Parsons & Co. suspended. W. G. Read, Jr., who was a member of the firm, committed suicide a short time since.

North Carolina.—On October 12 the Western Carolina Bank, of Asheville, which was subjected to a run by the failure of the First National Bank in July, closed its doors. It is said to be overloaded with real estate on which realization will be slow.

The National Bank of Asheville closed on October 22.

It is reported that the failed First National Bank, of Asheville, holds $250,000 of accommodation notes made by insolvent persons. Some of the officers have been arrested.

—The Bank of Louisburg assigned to W. H. Ruffin, October 19; liabilities about $35,000.

This bank had a branch at Nashville, N. C. W. C. Webb, the President, has been arrested on the charge of making false statements and secreting assets. It is said depositors will get about forty per cent. of their claims.

Ohio.—On October 25 Geo. A. Hay was appointed Receiver for the Farmers' Bank, Coshocton, which is going out of business on account of a disagreement among the partners and the trustees of the estate of the late John P. Peck, who was President of the bank. It is said that creditors will not lose anything.

Pennsylvania.—On October 28 the First National Bank, of Athens, went into voluntary liquidation; creditors will get the full amount of their claims.

South Dakota.—Owing to a lack of profitable business, the Bank of Verdon closed its doors on October 22, and will not reopen.

Texas.—The City Bank, Sherman, capitalized at $300,000, suspended October 18, owing depositors $60,000.

Virginia.—On October 14 it was reported that application had been made for the appointment of a Receiver for the Traders' Loan, Trust and Deposit Co., Roanoke.

Wisconsin.—The Bank of Lodi closed 20.

—The Bank of Edgerton suspended October 19. It was organized in 1880, and had about $148,000 in deposits. The Cashier is said to have admitted losing about $80,000 in speculation.

No International Bimetallism.—The scheme of international bimetallism is a failure for the present at least. The Administration has tried to promote international bimetallism, and has failed. It would seem to an impartial observer that as we now have the standard of value in use by all nations of the first class, and most of those of the second, it would be well to adhere to and make the best of it. Whatever inconvenience results from the want of a stable par of exchange between gold and silver countries is shared by Great Britain, as Lord Salisbury expressly admits. It is shared by all the other commercial nations of the world in proportion to their importance, or to the amount of trade they may have with countries having a different standard. The United States have done all, and more, that could be fairly expected of them to remedy this inconvenience. All our efforts in this direction have been futile. They have been repeatedly met by propositions that this country shall take the chief burden of making silver as good as gold at present ratios, or some new one. It seems about time for the United States Government to take a rest, and let some of the others walk the floor. These discussions have the effect of disturbing our own finances without bettering the situation in other respects.—*Louisville Courier-Journal.*

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5091—First National Bank, Paul's Valley, Indian Territory. Capital, $50,000.
5092—Woodsville National Bank, Woodsville, New Hampshire. Capital, $50,000.
5093—First National Bank, Catonsville, Maryland. Capital, $50,000.
5094—Commercial National Bank, Union City, Indiana. Capital, $50,000.
5095—First National Bank, Shawnee, Oklahoma Territory. Capital, $50,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Citizens' National Bank, East Liverpool, Ohio; by John J. Purinton, *et al.*
Kutztown National Bank, Kutztown, Pa.; by O. P. Grimley, *et al.*
First National Bank, Seguin, Texas; by Charles E. Tips, *et al.*
Alma National Bank, Alma, Kans.; by L. Palenske, *et al.*
First National Bank, Berlin, Pa.; by Wm. A. Garman, *et al.*

NEW BANKS, BANKERS, ETC.

ARIZONA.

TUCSON—American Bank and Trust Co.

GEORGIA.

ATLANTA—Atlanta Savings Society.
CORDELE—Wight & Weskloski; capital, $50,000.
MACON—Commercial and Savings Bank; capital, $50,000; Pres., E. Y. Mallory; Cas., J. J. Cobb.
ROME—Citizens' Bank; capital, $50,000.
STILLMORE -- Bank of Stillmore; capital, $25,000.

ILLINOIS.

MAROA—Citizens' Bank; Pres., J. H. Parker; Vice-Pres., M. R. Alsop; Cas., D. N. Gray.

INDIANA.

UNION CITY — Commercial National Bank (successor to Commercial Bank); capital, $50,000; Pres., Wm. Kerr; Cas. J. F. Rubey.

INDIAN TERRITORY.

FAIRLAND—Bank of Fairland; capital, $10,000; Pres., F. M. Comer; Vice-Pres., D. W. Vaun; Cas., N. C. Gallemore.
PAUL'S VALLEY—First National Bank; capital, $50,000; Pres., C. J. Grant; Vice-Pres., S. J. Garvin; Cas., E. C. Gage; Asst. Cas., Ralf Goddard.

IOWA.

DANA—J. A. Rowles, Banker.
LAWLER—Merchants' Exchange Bank (James Curran).
MARNE—Exchange Bank; Cas., John W. Gray.
OLDS—Farmers and Merchants' Bank; Pres., Thos. W. Rickey; Cas., Jno. W. Young.
POPEJOY—J. H. Corcoran.
WESTGATE — Bank of Westgate; capital, $1,000; Pres., W. H. Schoonmaker; Cas., J. W. Dwyer.

KANSAS.

BENNINGTON—Bennington State Bank (successor to Bennington Banking Co.); capital, $12,000; Pres., J. H. Nelson; Vice-Pres., Wm. H. Rowe; Cas., David Binns.
GARNETT—First State Bank; capital, $20,000; Pres., W. W. Aldrich; Cas., E. M. Elliott; Asst. Cas., O. B. Aldrich.

KENTUCKY.

FAIRFIELD—People's Bank (branch of Bardstown).
FULTON — Citizens' Bank; capital, $25,000; Pres., Smith Fields; Cas., C. E. Rice.
LEBANON JUNCTION — Lebanon Junction Bank; capital, $7,500; Pres., J. H. Hoskins; Cas., C. C. Ricketts.
MURRAY—Galen Miller.
RICHMOND—State Bank & Trust Co.; capital stock, $150,000.

MARYLAND.

CATONSVILLE—First National Bank; capital, $50,000; Pres., Chas. G. W. Macgill; Cas., Arthur C. Montell.

MICHIGAN.

FENTON—Wightman Exchange Bank (E. B. Wightman); capital, $15,000; Cas., E. D. Kennedy.
HOMER—Homer Banking Co. (successor to First State Bank).
LAURIUM—State Sav. Bank; capital, $50,000.
SANILAC CENTER—Truman-Moss State Bank; capital, $20,000; Pres., Julia H. Mills; Vice-Pres., Elizabeth M. M. Auketell; Cas., Chas. J. Oleson.

MINNESOTA.

NICOLLET — Citizens' State Bank; capital, $10,000; Pres., Andrew Anderson; Vice-Pres., Henry Enter; Cas., A. T. Swenson.

MISSOURI.

HAYTI—Farmers & Merchants' Bank; capital, $8,600; Pres., J. E. Franklin; Cas., W. E. Talley.

NEW HAMPSHIRE.

WOODSVILLE—Woodsville Nat. Bank; capital, $50,000; Pres., Henry W. Keyes; Cas., H. W. Allen.

NEW YORK.

CORNWALL-ON-HUDSON — Cornwall Bank; capital, $25,000; Pres., Chas. C. Cocks; Cas., Jos. W. Cummin.

SYRACUSE—Citizens' Bank (organizing); capital, $200,000.

NEW YORK CITY—Fifth Avenue Trust Co. (organizing); capital, $500,000.——Lindsley & Yates, 24 Pine St.——Lockwood, Hurd & Co., 44 Broadway.

NORTH DAKOTA.

BISBEE—Bank of America; capital, $5,000; Pres., H. J. Haskamp; Cas., Henry Thien.

KULM — La Moure County Bank; capital, $10,000.

OHIO.

EAST LIVERPOOL—Union Savings Bank & Trust Co.

OKLAHOMA.

SHAWNEE—First National Bank; capital, $50,000; Pres., J. H. Maxey; Cas., Willard Johnston.

SOUTH CAROLINA.

DILLON — Dillon Banking & Grocery Co.; capital stock, $25,000; Pres., J. H. Stafford; Cas., G. B. Stackhouse.

GREENVILLE—Carolina Loan and Trust Co.; capital $50,000; Jno. H. Earle, Manager.

TEXAS.

MOUNT VERNON—Franklin County National Bank; capital, $50,000; Pres., J. H. Majors.

ROYSE CITY—Royse City Bank; capital $20,000; Pres., James Paulk; Vice-Pres., W. P. West; Cas., E. M. Paulk.

SEGUIN — First National Bank; capital, $50,000; Pres., Charles E. Tips; Cas., Geo. W. Vaughan.

UVALDE—Collier & Co.; Cas. W. W. Collier.

WYLIE — Housewright Co.; Banking and Exchange.

WASHINGTON.

ROSALIA—Bank of Rosalia; capital, $25,000; Ralston McCaig, Manager.

CHANGES IN OFFICERS, CAPITAL, ETC.

ARKANSAS.

PINE BLUFF—Citizens' Bank; H. C. Rather, Cas. in place of H. Riley.

CALIFORNIA.

POMONA—People's Bank; Wm. B. Dole, Pres. deceased.

CONNECTICUT.

BRIDGEPORT—City National Bank; Frederick J. Banks, Cas. resigned.

HARTFORD — State Bank; John R. Buck elected director in place of Nelson Hollister, deceased.

STAFFORD SPRINGS—First National Bank; E. C. Dennis, Asst. Cas.

GEORGIA.

ATLANTA—Atlanta Clearing-House Association; Frank Hawkins, Jr., Pres. in place of W. L. Peel; Geo. R. De Saussure, Vice-Pres. in place of E. H. Thornton.

MONTICELLO—Bank of Monticello; J. H. Kelly, Pres. in place of W. S. Witham.

SAVANNAH—Chatham Bank; W. F. McCauley, Cas. in place of R. F. Burdell, deceased.

ILLINOIS.

CANTON—First National Bank; W. J. Orendorff, Vice-Pres., deceased.

CHICAGO—Merchants' Loan and Trust Co.; Geo. M. Pullman, director, deceased.—— Commercial National Bank; James H. Eckels, Pres. in place of H. F. Eames, deceased; John C. McKeon, Vice-Pres. (changes in effect Jan. 1, 1898).

METROPOLIS—First National Bank; J. M. Choat, Cas. in place of W. H. Armstrong.

PLANO — H. H. Henning; succeeded by Steward Bros.

PULLMAN—Pullman Loan and Savings Bank; Geo. M. Pullman, Pres., deceased.

INDIANA.

ALEXANDRIA—Alexandria National Bank; reorganized as private bank; capital reduced to $30,000.

FORTVILLE—Fortville Bank; Alfred Denney, Pres., deceased.

GREENSBURGH—First National Bank; Geo. P. Shoemaker, Cas. in place of E. R. Forsyth; no Asst. Cas. in place of Geo. P. Shoemaker.

SHELBYVILLE — Farmers' National Bank; James S. Jeffers, Pres., deceased.

WALKERTON—Farmers' Bank; reorganized and title changed to Walkerton Bank.

IOWA.

BURLINGTON—Merchants' National Bank; J. L. Edwards, Cas. in place of H. C. Garrett.

NEW SHARON—New Sharon State Bank; H. H. Hammond, Cas., deceased.

REDFIELD—Bank of Redfield; Geo. E. Curtis, Jr., Asst. Cas.

KANSAS.

DIGHTON—First State Bank (successor to

First National Bank); J. S. Simmons, Pres.; F. W. King, Cas.

GARDEN CITY—Bank of Western Kansas; reported sold out to First National Bank.

OSKALOOSA—Jefferson County Bank; M. L. Critchfield. Pres., in place of T. Critchfield, deceased; L. C. Critchfield, Vice-Pres.; Charles F. Johnson, Cas.; Mae Critchfield, Asst. Cas.

PRATT—Farmers and Merchants' Bank; business sold to People's Bank.

PRETTY PRAIRIE—Farmers' State Bank; succeeded by State Bank.

STERLING—First National Bank; C. Hawkins, Cas. in place of P. Himrod; no Asst. Cas. in place of C. Hawkins.

KENTUCKY.

BUTLER—Butler Deposit Bank; capital stock reduced from $25,000 to $15,000.

LOUISIANA.

ST. MARTINSVILLE—Bank of St. Martinsville; Chas. A. Thomas, Asst. Cas., deceased.

MASSACHUSETTS.

BOSTON—Nat'l Eagle Bank; Daniel Denny, director, deceased.——Central Nat'l Bank; John W. Leighton, director, deceased.——Atlantic National Bank; James T. Drown, Cashier, deceased.

HARWICH—Cape Cod National Bank; Augustus C. Snow, Cas. in place of Geo. W. Snow.

MICHIGAN.

BENTON HARBOR—Deposit and Loan Co.; succeeded by Rounds, Warner & Co.

DETROIT—Central Savings Bank; removed to McGraw Building, 151 Griswold St.——Union National Bank; Thos. McGraw, Vice-Pres., deceased; also director City Savings Bank.

MASON—First State & Savings Bank; H. L. Henderson, Pres., deceased.

ST. CLAIR—Commercial and Savings Bank; Bela W. Jenks, Vice-Pres., deceased.

MINNESOTA.

FISHER — Citizens' Bank; H. O. Rosaaen, Pres.; James Rosaaen, Cas.

ST. CLOUD—Merchants' National Bank; John M. Schwartz, Cas., resigned.

MISSOURI.

ADRIAN—Adrian Banking Co.; Jason Scudder, Pres., deceased.

CAMPBELL—Bank of Campbell; Louis McCutchen, Pres.; Theo. Mueller, Cas.

FULTON—Southern Bank; C. W. Jameson, Pres. in place of Samuel L. Dedman; J. E. Maughs, Cas. in place of C. W. Jameson.

HAMILTON—Hamilton Savings Bank (incorporated); capital, $10,000.

PINEVILLE—McDonald County Bank (chartered); capital increased to $10,000; Hugh Dobbs, Pres.; Lymon W. White, Vice-Pres.; A. V. Manning, Cas.

NEBRASKA.

LIBERTY—State Bank (successor to First National Bank); F. B. Sheldon, Pres.

NEW HAMPSHIRE.

PITTSFIELD—Pittsfield Savings Bank; S. J. Winslow, Treas. in place of Geo. F. Berry, deceased.

NEW JERSEY.

NEWARK — Newark City National Bank; Albert Baldwin, Vice-Pres., deceased.

NEW YORK.

ALBANY—Albany City National Bank; Geo. H. Thacher, Pres. in place of Erastus Corning, deceased; Geo. I. Amsdell, First Vice-Pres. in place of Geo. H. Thacher; John E. Walker, Second Vice-Pres. in place of Geo. I. Amsdell.

BROCKPORT—First National Bank; Luther Gordon, Cas. in place of H. A. Metcalf; Philip F. Swart, Asst. Cas.

BROOKLYN—Brooklyn Trust Co.; Frank L. Hine elected trustee in place of Michael Chauncey, deceased.——Broadway Bank; Geo. F. Moger, Asst. Cas.

NEW YORK CITY—Hotchkiss & Frank; removed to 35 Broad Street.——Martin & Co.; A. F. R. Martin, deceased.——Hamilton Bank; Wm. F. Gray, Pres. in place of Daniel Fletcher Porter, deceased; Edwin F. Schenck, Vice-Pres. and Cas.——Alfred De Cordova & Co.; removed to 30 Broad Street.——Colonial Trust Co.; Jno. E. Borne, Pres. in place of Roswell P. Flower, resigned; Roswell P. Flower, Honorary Vice-Pres.——W. C. Sheldon & Co.; dissolved on account of death of W. C. Sheldon, Jr.: business carried on under same name by G. R. Sheldon, W. S. P. Prentice and W. C. Sheldon.——Yokohama Specie Bank, Ltd.; removed to 63 and 65 Wall Street.——Wm. F. Kiernan, Banker, deceased.——Herzfeld & Co.; Lewis H. Strouse, deceased.——Bell & Co.; Louis V. Bell retired from firm.——Simmons & Slade; Prescott Slade admitted to firm.——Spencer Trask & Co.; Acosta Nichols admitted to firm.——Price, McCormick & Co., reorganized; Bernard J. Harrison admitted as general partner.

RANDOLPH—State Bank; J. A. Crowley, Cas.; Frank L. Seager, Asst. Cas.

TROY—Central National Bank; Justus Miller, Vice-Pres. and director, deceased.

NORTH DAKOTA.

DRAYTON—First Bank; capital reduced to $25,000.

OHIO.

CINCINNATI — Cincinnati Safe Deposit and Trust Co.; Rudolph Wurlitzer, elected director in place of Edward Sargent, deceased.——Market National Bank; E. A. Donnally, Cas. in place of Casper H. Rowe;

Louis G. Pochat, Asst. Cas. in place of E. A. Donnally.

COSHOCTON — Farmers' Bank (in hands of Receiver); John P. Peck, Pres., deceased.

LONDON—Madison National Bank; W. M. Jones, Pres. in place of Stephen Watson, deceased.——London Exchange Bank; Stephen Watson, Vice-Pres., deceased.

MEDINA—Old Phœnix National Bank: B. H. Wood, Pres. in place of R. M. McDowell, deceased.

XENIA—Citizens' National Bank; F. E. McGervey, Acting Cas. from October 1, 1897, to June 1, 1898.

PENNSYLVANIA.

BEDFORD—Jno. G. Hartley & Co.; Jno. G. Hartley, deceased.

BELLEFONTE—Jackson, Hastings & Co.; Geo. W. Jackson, deceased.

CLARION—First National Bank; S. Win Wilson, Pres. in place of C. Leeper, deceased.

DANVILLE—Danville National Bank; Wm. J. Baldy, Pres.

HONESDALE—Wayne Co. Sav. Bank; Lorenzo Grambs, Pres. in place of Isaac N. Foster, deceased.

PHILADELPHIA—Union Trust Co.; Richard S. Edwards, Sec. and Treas. in place of D. Howard Foote.——Western National Bank; no Cas. in place of John C. Garland, deceased; Charles F. Wignall, Asst. Cas.——Manayunk Trust Co.; Chas. W. Klauder, Pres. in place ot Graham Littlewood, resigned.——First Penny Savings Bank; Wm. McCouch, Cas., deceased.——Philadelphia National Bank; L. L. Rue, elected director in place of Edward S. Clarke.——Land Title and Trust Co.; P. A. B. Widener and Wm. L. Elkins elected directors in place of J. Sergeant Price, deceased, and G. C. Purves, resigned.

PITTSBURG—Dollar Savings Bank; A. W. Pollock, Pres. in place of Wm. W. Speer.——Iron City Nat. Bank; Wm. W. Speer, director, deceased.——Union Trust Co.; removed to 244 Fourth Ave.

WAYNESBURG—Farmers and Drovers' Nat. Bank; E. M. Sayers, Pres. in place of Geo. S. Wyly.

RHODE ISLAND.

NEWPORT—National Bank of Rhode Island; H. Wallace Briggs, director, deceased.

WICKFORD—Wickfork National Bank; no Asst. Cas. in place of Wm. C. Hunt.

SOUTH DAKOTA.

HURON—Standard Sav. Bank; E. B. Soper, Pres. in place of Andrew Riegel; Geo. C. Fullenweider, Vice-Pres.; W. S. Davis, Cas.

TENNESSEE.

NASHVILLE—D. S. Williams, Vice-Pres. in place of H. W. Grantland; F. O. Watts, Cas. in place of D. S. Williams; E. A. Lindsey, Asst. Cas.——Nashville Trust Co.; W. F. Foster and D. N. Kennedy, elected directors in place of John P. White and James Simmons, deceased.

UNION CITY — First National Bank; Seid Waddell, Pres. in place of Lexie S. Parks; Lexie S. Parks, Cas. in place of F. O. Watts; E. V. Caldwell, Asst. Cas. in place of Geo. G. Bell.

TEXAS.

AUSTIN—James H. Raymond & Co.; James H. Raymond, deceased.

COMANCHE—First National Bank; W. Martin, Pres. in place of T. R. Hill; N. R. Lindsey, Vice-Pres. in place of J. M. Presler; J. B. Herndon, Cas. in place of J. D. Sherrill; no Asst. Cas. in place of C. B. Mason.

FORT WORTH—American National Bank: Luther I. Boaz, Pres. in place of C. J. Shapard; J. M. Ligan, Cas. in place of Luther I. Boaz; James M. Reily, Asst. Cas.

HILLSBORO--Hill County National Bank; J. D. Warren, Vice-Pres. in place of E. M. Turner.

MARSHALL — Marshall Nat. Bank; no Cas. in place of J. P. Alford.

VIRGINIA.

RICHMOND—Metropolitan Bank; Lewis Ginter, director, deceased.

WASHINGTON.

MOUNT VERNON—First National Bank; Geo. D. McLean, Pres.; R. G. Hannaford, Cas. in place of J. L. Schultz; no Asst. Cas. in place of R. G. Hannaford.

WEST VIRGINIA.

CHARLESTON—Citizens' National Bank; no Vice-Pres. in place of J. H. Huling.

LEWISBURG—Bank of Lewisburg; Robert F. Dennis, Vice-Pres., deceased; William E. Nelson, Cas. in place of J. W. Mathews, deceased; Mason Mathews, Asst. Cas.

WISCONSIN.

MARSHFIELD—First National Bank; "authority given by Board of Directors to John Seubert to sign name of Edw. L. Reese, Cashier, per John Seubert, to drafts, checks, certificates of deposit, advices, etc., issued by this bank."

CANADA.

NEW BRUNSWICK.

NEW CASTLE—Bank of Nova Scotia; D. R. Laird, Agent.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

DISTRICT OF COLUMBIA.

WASHINGTON—National Bank of the Republic; in voluntary liquidation.

ILLINOIS.

CHICAGO—Prairie State National Bank; in voluntary liquidation October 15.

INDIANA.

NEW ALBANY—First National Bank; in voluntary liquidation.

KANSAS.

NETAWAKA—State Bank; in voluntary liquidation.

ST. FRANCIS—Bank of A. D. Lucas; in voluntary liquidation October 19.

WALNUT—State Bank.

MICHIGAN.

GRAYLING—Grayling Exchange Bank (Staley & French).

NEW YORK.

NEW YORK CITY—Read, Parsons & Co.; suspended October 28.

NORTH CAROLINA.

ASHEVILLE — Western Carolina Bank; in liquidation.

LOUISBURG—Bank of Louisburg; assigned to W. H. Ruffin, October 19.

OHIO.

COSHOCTON—Farmers' Bank; in hands of Geo. A. Hay, Receiver, October 25

PENNSYLVANIA.

ATHENS—First National Bank; in voluntary liquidation October 28.

SOUTH DAKOTA.

VERDON—Bank of Verdon.

TEXAS.

SHERMAN—City Bank.

VIRGINIA.

ROANOKE—Traders' Loan, Trust and Deposit Co. (Receiver applied for.)

WASHINGTON.

CHENEY—State Bank.

WISCONSIN.

EDGERTON—Bank of Edgerton; in hands of Jno. R. Bennett, Receiver.

LODI—Bank of Lodi; closed October 20.

Foreign Trade Movements.

In the month of September the total exports of merchandise were valued at $104,691,205 and the excess of exports over imports was $62,281,187. Only five times in the history of the country have a month's exports equalled this total and the net exports have been exceeded only once, in October, 1896, when they were $63,000,000. The imports have fallen to a very low point, less than $42,500,000, and are $8,000,000 less than in September, 1896, and nearly $23,000,000 less than in 1895. There was $4,000,000 of gold imported as against $34,000,000 in September last year. The exports of silver fell below $4,000,000. For the nine months of the year the net exports of merchandise were $157,600,000, of gold $19,500,000 and of silver $34,800,000, a total of nearly $212,000,000 as against $174,000,000 last year.

EXPORTS AND IMPORTS OF UNITED STATES.

MONTH OF SEPTEMBER.	MERCHANDISE.			Gold Balance.	Silver Balance.
	Exports.	*Imports.*	*Balance.*		
1892	$62,908,483	$67,466,062	Imp., $4,557,579	Exp., $2,324,127	Exp., $1,190,606
1893	72,026,798	46,300,612	Exp., 25,726,186	Imp., 5,242,083	" 2,827,298
1894	58,798,675	50,647,698	" 8,150,977	" 418,118	" 3,103,084
1895	58,540,063	65,305,320	Imp., 6,765,257	" 16,674,609	" 3,618,201
1896	85,131,098	50,855,990	Exp., 34,275,108	Imp., 34,096,080	" 4,792,432
1897	104,691,205	42,410,018	" 62,281,187	" 4,189,596	" 3,926,046
NINE MONTHS.					
1892	665,310,099	636,106,009	Exp., 29,204,090	Exp., 51,814,566	Exp., 10,172,447
1893	603,221,873	625,325,372	Imp., 22,103,499	" 10,317,882	" 18,413,460
1894	576,618,276	503,590,042	Exp., 73,028,234	" 78,815,163	" 27,989,672
1895	557,927,466	601,043,139	Imp., 43,115,673	" 44,350,343	" 30,683,946
1896	666,061,890	522,088,289	Exp., 143,973,601	Imp., 8,014,010	" 38,020,404
1897	746,388,535	588,749,142	" 157,639,393	Exp., 19,473,795	" 34,766,259

Pardon for Bank-Wreckers.—The President has pardoned still another National bank-wrecker, Lewis Redwine, who embezzled funds from an Atlanta institution. Redwine's term, it is stated, would have soon expired, but the pardon was strongly urged by Georgia people, while Senator Bacon made a personal request for it. The executive clemency has now been exercised in a notable list of such cases.—*Springfield (Mass.) Republican.*

NATIONAL BANK RETURNS—RESERVE CITIES AND THE UNITED STATES.

By the courtesy of the Comptroller of the Currency at Washington, the BANKERS' MAGAZINE has been favored with the complete returns of the National banks in all the reserve cities, at the date of the last call on October 5, 1897. These are published below in conjunction with the two preceding statements of July 23, 1897, and May 14, 1897. In this form the figures become much more valuable by reason of the comparison. In this complete shape the returns of National banks in the reserve cities are published in the BANKERS' MAGAZINE exclusively.

A table showing the condition of all the National Banks of the United States at the date of the last three reports will be found immediately following the reserve cities.

NEW YORK CITY.

RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$355,090,811	$381,548,610	$408,385,475
Overdrafts	157,863	171,856	128,242
U. S. bonds to secure circulation	19,256,000	18,939,000	18,989,000
U. S. bonds to secure U. S. deposits	1,300,000	1,360,000	1,360,000
U. S. bonds on hand	4,266,200	4,423,850	4,588,900
Premiums on U. S. bonds	2,057,824	2,076,383	2,049,417
Stocks, securities, etc	39,339,656	40,673,921	40,701,485
Banking house, furniture and fixtures	18,652,947	13,911,729	18,962,704
Other real estate and mortgages owned	1,829,145	1,778,459	1,942,488
Due from National banks (not reserve agents)	30,089,894	27,687,346	28,944,448
Due from State banks and bankers	5,536,684	4,924,591	4,955,489
Due from approved reserve agents	......	......	......
Checks and other cash items	2,075,898	1,874,438	2,662,685
Exchanges for clearing-house	46,747,960	54,708,847	66,428,644
Bills of other National banks	765,563	1,036,497	788,569
Fractional paper currency, nickels and cents	48,144	51,995	65,736
*Lawful money reserve in bank, viz.:			
Gold coin	17,258,969	16,582,169	18,237,230
Gold Treasury certificates	9,170,160	6,618,260	6,771,840
Gold clearing-house certificates	45,846,000	51,040	52,985,000
Silver dollars	99,238	62,242	92,988
Silver Treasury certificates	5,887,371	5,742,852	3,821,405
Silver fractional coin	442,899	505,559	480,924
Legal-tender notes	38,984,728	49,315,965	27,672,648
U. S. certificates of deposit for legal-tender notes	35,810,000	28,915,000	26,445,000
Five per cent. redemption fund with Treasurer	857,242	843,022	843,023
Due from U. S. Treasurer	1,288,471	836,292	898,847
Total	$677,253,677	$715,623,815	$738,611,662

LIABILITIES.			
Capital stock paid in	$46,600,000	$48,600,000	$48,600,000
Surplus fund	43,042,000	42,892,000	42,892,000
Undivided profits, less expenses and taxes paid	17,953,901	17,401,566	17,541,998
National bank notes issued, less amount on hand	14,786,305	13,874,255	16,183,457
State bank notes outstanding	16,556	16,556	16,556
Due to other National banks	161,847,029	179,190,351	183,962,881
Due to State banks and bankers	71,758,220	74,272,082	80,878,290
Dividends unpaid	103,475	156,569	172,596
Individual deposits	316,669,249	337,515,801	341,886,866
U. S. deposits	885,583	875,526	768,278
Deposits of U. S. disbursing officers	292,812	281,956	330,838
Notes and bills rediscounted	......	......	......
Bills payable	101,000	200,000	300,000
Liabilities other than those above stated	198,598	347,150	57,978
Total	$677,253,677	$715,623,815	$738,611,662
Average reserve held	32.83 p. c.	31.68 p. c.	27.10 p. c.
* Total lawful money reserve	$152,949,355	$158,782,047	$136,506,525

	ALBANY, N. Y.			BALTIMORE, MD.			BOSTON, MASS.		
RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$7,518,868	$7,406,378	$8,308,219	$31,160,684	$31,642,083	$33,076,943	$154,988,505	$163,428,056	$164,807,923
Overdrafts	1,607	2,681	8,372	40,717	27,789	39,280	79,982	108,747	50,694
U. S. bonds to secure circulation	400,000	400,000	400,000	2,979,000	2,969,000	2,739,000	10,047,000	9,397,000	8,777,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	202,000	202,000	202,000	265,000	265,000	265,000
U. S. bonds on hand	......	......	......	80,500	80,500	75,500	105,000	105,000	155,000
Premiums on U. S. bonds	$27,500	27,500	$27,500	357,761	355,587	351,829	926,912	813,576	719,431
Stocks, securities, etc	765,836	748,133	759,666	2,958,664	2,820,534	2,551,047	7,414,048	7,172,713	7,111,787
Banking house, furniture and fixtures	295,000	296,000	295,000	2,185,521	2,175,060	2,190,060	2,397,989	2,392,786	2,393,798
Other real estate and mortgages owned	27,962	38,062	57,162	153,257	206,231	206,101	440,900	373,900	370,814
Due from National banks (not reserve agents)	1,543,749	1,396,967	1,246,564	2,066,462	1,928,370	2,383,491	14,898,676	12,895,043	16,576,819
Due from State banks and bankers	655,064	1,001,513	441,561	393,070	287,343	406,270	573,010	766,456	794,178
Due from approved reserve agents	4,696,821	3,561,555	2,573,725	2,854,927	3,408,833	4,010,292	27,161,941	32,174,627	27,676,135
Checks and other cash items	111,669	56,151	106,833	66,177	90,153	146,164	317,640	254,953	468,246
Exchanges for clearing-house	88,056	75,394	136,474	1,739,334	1,686,905	2,145,457	11,844,921	10,819,105	11,674,061
Bills of other National banks	65,364	70,783	52,182	227,551	222,398	185,919	1,040,738	1,238,688	984,066
Fractional paper currency, nickels and cents	2,758	2,483	1,732	12,896	14,188	12,399	23,580	27,039	24,494
*Lawful money reserve in bank, viz.:									
Gold coin	487,711	490,800	499,433	1,946,946	1,897,512	1,720,153	7,156,271	7,177,542	7,192,645
Gold Treasury certificates	304,250	334,250	336,250	347,140	357,120	352,790	1,255,750	1,291,290	1,386,430
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	18,501	25,483	22,701	55,014	60,373	54,860	76,575	75,843	74,451
Silver Treasury certificates	51,000	49,200	38,000	1,626,527	1,606,424	1,386,330	2,871,149	2,872,307	2,834,669
Silver fractional coin	37,718	24,712	21,912	88,002	74,563	77,729	156,198	162,719	182,021
Legal-tender notes	301,077	399,230	420,108	622,135	618,949	646,775	5,635,503	7,211,887	7,185,894
U. S. certificates of deposit for legal-tenders	......	......	......	1,600,000	1,540,000	890,000	1,410,000	1,870,000	1,830,000
Five per cent. redemption fund with Treas.	18,000	18,000	18,000	134,055	133,605	121,605	438,615	422,095	394,965
Due from U. S. Treasurer	......	......	1	2,000	8,005	1,005	209,240	819,261	109,142
Total	$17,468,516	$16,474,278	$15,816,386	$53,915,348	$54,408,508	$55,915,024	$250,680,060	$263,125,168	$268,439,640
LIABILITIES.									
Capital stock paid in	$1,550,000	$1,550,000	$1,550,000	$13,243,260	$13,243,260	$13,243,260	$50,750,000	$50,850,000	$50,350,000
Surplus fund	1,398,000	1,398,000	1,388,000	4,923,000	4,941,625	4,941,625	14,946,578	14,946,578	15,054,578
Undiv. profits, less expenses and taxes paid	175,568	176,715	198,950	1,152,206	1,023,868	1,198,300	4,765,370	5,605,975	4,820,020
National bank notes issued, less am't on hand	351,250	345,530	349,590	2,639,587	2,615,687	2,433,060	8,354,270	8,082,630	7,576,892
State bank notes outstanding	......	......	......	4,606	4,606	4,605	......	......	......
Due to other National banks	3,115,269	2,996,741	3,806,137	5,834,565	6,215,708	6,644,660	35,197,919	38,784,438	42,791,808
Due to State banks and bankers	1,545,428	1,527,701	1,613,387	1,282,256	1,456,617	2,086,758	18,847,417	23,918,649	19,810,545
Dividends unpaid	2,131	1,016	615	$74,281	116,160	84,998	50,677	37,803	221,474
Individual deposits	9,259,133	8,398,529	6,808,166	24,949,148	24,206,673	24,734,818	115,954,063	120,065,759	120,934,342
U. S. deposits	46,214	42,463	42,482	210,435	242,300	210,439	118,598	116,590	118,022
Deposits of U. S. disbursing officers	3,785	7,536	7,517	......	......	......	72,727	54,175	75,460
Notes and bills rediscounted	21,738	21,738	21,738	......	......	......	427,667	......	......
Bills payable	......	......	......	102,000	340,000	325,000	1,088,035	1,098,757	1,797,334
Liabilities other than those above stated	......	8,300	29,800	......	......	7,500	106,739	113,809	394,165
Total	$17,468,516	$16,474,278	$15,816,386	$53,915,348	$54,408,508	$55,915,024	$250,680,060	$263,125,168	$263,439,640
Average reserve held	50.91 p. c.	47.01 p. c.	37.78 p. c.	33.83 p. c.	34.47 p. c.	32.13 p. c.	32.07 p. c.	33.76 p. c.	31.31 p. c.
***Total lawful money reserve**	$1,200,257	$1,323,675	$1,338,389	$7,280,764	$6,154,942	$5,068,637	$18,061,446	$20,661,088	$20,136,110

Resources.	Brooklyn, N. Y. May 14, 1897.	Brooklyn, N. Y. July 23, 1897.	Brooklyn, N. Y. Oct. 5, 1897.	Chicago, Ill. May 14, 1897.	Chicago, Ill. July 23, 1897.	Chicago, Ill. Oct. 5, 1897.	Cincinnati, Ohio. May 14, 1897.	Cincinnati, Ohio. July 23, 1897.	Cincinnati, Ohio. Oct. 5, 1897.
Loans and discounts	$11,802,675	$11,299,945	$12,357,365	$81,165,934	$82,177,379	$86,832,905	$22,842,814	$22,007,997	$23,778,025
Overdrafts	1,376	950	1,520	308,984	468,242	348,259	9,718	14,909	13,460
U. S. bonds to secure circulation	642,000	642,000	642,000	1,150,000	1,100,000	1,850,000	4,844,500	5,102,000	5,436,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	550,000	550,000	550,000	1,200,000	1,200,000	1,200,000
U. S. bonds on hand	105,000	105,000	5,000	792,350	895,350	624,000	842,000	981,950	1,150,970
Premiums on U. S. bonds	63,750	50,375	37,000	100,678	95,322	85,656	766,636	827,617	886,946
Stocks, securities, etc	2,236,755	2,103,515	2,549,251	6,576,183	7,062,778	6,585,174	4,623,185	3,919,643	3,910,530
Banking house, furniture and fixtures	600,854	600,454	600,958	821,853	825,939	825,939	479,340	476,040	476,040
Other real estate and mortgages owned	92,500	92,500	92,500	663,317	638,884	749,356	151,518	191,927	191,883
Due from National banks (not reserve agents)	187,809	170,714	263,388	21,327,774	21,195,817	25,810,469	3,170,623	2,983,392	3,002,554
Due from State banks and bankers	144,078	179,474	188,735	4,694,174	4,357,304	5,822,053	594,853	523,021	688,582
Due from approved reserve agents	2,523,083	3,228,455	2,644,785	......	......	......	4,027,897	5,143,961	4,865,032
Checks and other cash items	106,887	112,267	117,640	52,966	154,764	104,315	124,366	127,605	135,898
Exchanges for clearing-house	880,826	723,158	1,155,554	3,804,565	4,713,249	5,970,871	264,800	375,301	197,052
Bills of other National Banks	157,888	178,672	159,271	1,939,405	2,268,266	2,267,600	422,954	399,040	315,221
Fractional paper currency, nickels and cents	6,682	6,749	3,998	15,644	19,874	15,564	3,427	2,808	3,425
*Lawful money reserve in bank, viz.:									
Gold coin	$786,350	725,549	$541,885	13,450,030	14,372,808	14,354,240	960,543	1,018,317	1,086,570
Gold Treasury certificates	185,000	185,000	180,000	2,535,000	2,302,000	2,824,430	299,890	300,550	310,880
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	20,000	21,439	18,000	153,890	167,237	182,108	73,332	69,602	54,734
Silver Treasury certificates	631,895	743,183	327,310	4,366,270	3,935,903	4,192,306	617,369	631,786	453,661
Silver fractional coin	50,191	72,691	44,283	204,285	198,123	177,308	27,516	31,484	25,458
Legal-tender notes	1,181,717	1,258,324	880,854	18,618,766	14,835,502	13,518,145	2,563,524	2,675,043	1,988,053
U. S. certificates of deposit for legal-tenders	......	......	......	3,360,000	3,320,000	2,810,000	700,000	750,000	720,000
Five per cent. redemption fund with Treas.	28,890	28,890	28,890	49,500	47, 50	85,5 0	218,002	224,562	241,990
Due from U. S. Treasurer	5,000	......	......	95,982	64,370	127,259	1,000	......	6,950
Total	$22,641,218	$22,664,311	$22,989,632	$166,797,807	$165,766,566	$176,186,456	$49,849,306	$49,978,511	$51,089,910
Liabilities.									
Capital stock paid in	$1,352,000	$1,352,000	$1,352,000	$20,400,000	$19,700,000	$19,700,000	$8,000,000	$7,800,000	$7,800,000
Surplus fund	2,600,000	2,270,000	2,270,000	8,419,101	8,264,900	8,204,900	2,680,000	2,740,000	2,740,000
Undiv. profits, less expenses and taxes paid	172,232	353,688	396,701	1,914,290	1,816,290	2,006,271	917,274	996,882	1,143,351
National bank notes issued, less am't on hand	571,900	577,800	578,060	695,835	635,065	616,365	4,324,400	4,518,300	4,820,450
State bank notes outstanding	1,846	1,846	1,846	......	......	......	......	......	......
Due to other National banks	257,052	279,870	412,228	42,080,974	43,189,944	47,535,222	7,288,369	8,241,780	9,002,896
Due to State banks and bankers	256,835	362,910	346,544	23,808,968	24,439,658	26,802,410	3,596,519	3,830,464	4,420,622
Dividends unpaid	453	10,769	7,883	8,701	12,816	23,578	31,191	4,110	6,726
Individual deposits	17,215,967	17,227,225	17,298,868	68,658,101	67,158,561	70,692,162	21,090,368	19,779,311	19,244,420
U. S. deposits	154,786	168,329	168,158	489,512	480,402	510,847	1,180,766	1,326,211	1,171,941
Deposits of U. S. disbursing officers	43,440	35,956	34,457	58,762	60,064	21,298	......	......	......
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	......	......	......	267,645	......	......	......	......	......
Liabilities other than those above stated	15,178	28,964	38,964	5,900	8,900	13,400	748,416	789,500	789,500
Total	$22,641,218	$22,664,311	$22,989,632	$166,797,807	$165,766,566	$176,186,456	$49,849,306	$49,978,511	$51,089,910
Average reserve held	32.66 p. c.	37.19 p. c.	28.04 p. c.	41.36 p. c.	38.11 p. c.	36.06 p. c.	33.10 p. c.	37.51 p. c.	33.71 p. c.
*** Total lawful money reserve**	$3,855,153	$3,001,187	$1,991,772	$42,688,541	$39,181,578	$38,058,592	$5,261,674	$5,471,789	$4,580,856

	CLEVELAND, OHIO.			DES MOINES, IOWA.			DETROIT, MICH.		
RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$27,071,768	$27,845,399	$28,471,475	$2,356,942	$2,355,288	$2,651,371	$14,016,726	$13,996,282	$14,398,492
Overdrafts	28,029	46,368	34,244	17,892	19,061	16,348	3,066	5,964	16,661
U. S. bonds to secure circulation	1,450,000	1,550,000	1,550,000	292,200	292,200	292,200	1,150,000	1,150,000	1,150,000
U. S. bonds to secure U. S. deposits	60,000	60,000	60,000	......	......	......	300,000	300,000	300,000
U. S. bonds on hand	......	......	......	......	......	......	300,000	300,000	400,000
Premiums on U. S. bonds	51,300	51,300	51,300	13,000	13,000	13,000	186,000	184,250	208,250
Stocks, securities, etc	1,033,882	896,491	787,901	236,910	240,259	255,547	41,265	51,643	113,902
Banking house, furniture and fixtures	507,500	507,500	507,500	143,541	143,541	143,541	331,788	81,288	30,788
Other real estate and mortgages owned	264,303	219,254	215,487	95,365	98,791	99,461	230,425	225,755	260,504
Due from National banks (not reserve agents)	1,788,618	2,281,521	2,824,342	182,552	232,358	223,485	1,235,748	1,079,569	1,798,869
Due from State banks and bankers	721,801	679,631	798,417	31,520	47,878	54,328	373,583	364,797	459,380
Due from approved reserve agents	3,246,501	5,815,687	4,926,644	580,182	653,547	719,405	3,161,232	3,479,998	3,969,412
Checks and other cash items	83,435	80,928	109,924	6,141	27,628	18,582	11,745	15,804	28,023
Exchanges for clearing-house	193,264	157,571	289,494	70,966	49,784	70,860	222,478	277,218	260,101
Bills of other National banks	157,764	152,470	147,132	57,293	27,414	50,522	188,170	198,487	166,929
Fractional paper currency, nickels and cents	3,738	4,382	4,844	1,226	1,025	1,419	9,619	10,796	10,866
*Lawful money reserve in bank, viz.:									
Gold coin	1,471,705	1,517,557	1,468,110	105,822	189,882	138,115	1,244,172	1,287,570	1,346,667
Gold Treasury certificates	299,780	241,000	248,000	2,800	3,220	3,480	13,280	13,720	14,160
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	62,523	63,898	75,892	20,094	14,065	17,947	27,076	51,218	69,266
Silver Treasury certificates	123,305	120,585	116,025	18,862	17,713	23,179	161,440	194,120	135,802
Silver fractional coin	31,248	34,140	27,259	18,482	6,210	6,566	41,296	41,199	51,706
Legal-tender notes	1,162,475	1,041,798	1,076,290	312,199	239,291	225,028	650,508	850,898	632,479
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	65,250	69,750	68,380	13,094	13,094	13,094	51,660	51,660	50,641
Due from U. S. Treasurer	10,550	12,000	14,700	1,093	23	......	5,246	8,966	5,824
Total	$39,828,244	$42,949,128	$43,872,865	$4,577,614	$4,685,293	$5,087,479	$23,556,477	$24,165,650	$25,898,678
LIABILITIES.									
Capital stock paid in	$9,550,000	$9,550,000	$9,550,000	$800,000	$800,000	$800,000	$3,300,000	$3,300,000	$3,300,000
Surplus fund	2,085,000	2,085,000	2,085,000	221,000	221,000	221,000	605,000	605,000	605,000
Undiv. profits, less expenses and taxes paid	544,710	619,922	740,876	57,621	47,863	47,700	341,611	264,288	256,859
National bank notes issued, less am't on hand	1,234,240	1,328,810	1,332,810	248,027	243,287	259,137	909,890	899,960	969,790
Due to other National banks	2,979,482	3,562,944	4,248,581	724,910	638,499	658,370	2,826,671	3,381,337	3,791,838
Due to State banks and bankers	2,135,061	2,615,411	2,898,063	1,006,666	1,288,780	1,465,214	5,023,615	5,568,118	5,783,966
Dividends unpaid	10,329	1,427	1,217	3,294	3,980	3,585	220	3,764	6,972
Individual deposits	19,719,822	21,842,949	21,683,266	1,501,096	1,441,962	1,592,470	10,245,406	9,899,581	10,916,819
U. S. deposits	51,517	50,295	43,822	......	......	......	265,422	234,418	242,881
Deposits of U. S. disbursing officers	11,370	11,205	14,787	......	......	......	88,639	64,189	55,050
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	750,000	425,000	425,000	15,000	......	......	......	......	......
Liabilities other than those above stated	756,718	856,157	855,000	......	......	......	......	......	......
Total	$39,828,244	$42,949,128	$43,872,865	$4,577,614	$4,685,293	$5,087,479	$23,556,477	$24,165,650	$25,898,678
Average reserve held	29.04 p. c.	35.89 p. c.	32.25 p. c.	37.01 p. c.	37.70 p. c.	34.64 p. c.	32.06 p. c.	34.75 p. c.	34.88 p. c.
* Total lawful money reserve	$3,091,036	$3,018,923	$3,011,576	$477,759	$470,881	$414,815	$2,137,718	$2,438,155	$2,250,080

Resources.	Houston, Texas. May 14, 1897.	Houston, Texas. July 23, 1897.	Houston, Texas. Oct. 5, 1897.	Kansas City, Mo. May 14, 1897.	Kansas City, Mo. July 23, 1897.	Kansas City, Mo. Oct. 5, 1897.	Lincoln, Neb. May 14, 1897.	Lincoln, Neb. July 23, 1897.	Lincoln, Neb. Oct. 5, 1897.
Loans and discounts	$1,792,168	$1,960,595	$2,029,754	$13,880,159	$12,854,369	$15,006,761	$1,501,962	$1,620,421	$1,796,169
Overdrafts	28,328	38,145	179,804	67,172	131,336	187,143	16,688	9,801	6,962
U. S. bonds to secure circulation	200,000	200,000	200,000	350,000	250,000	250,000	150,000	150,000	150,000
U. S. bonds to secure U. S. deposits	50,000	50,000	50,000	100,000	100,000	100,000	......	......	......
U. S. bonds on hand	......	......	......	350,000	290,000	291,000	......	......	......
Premiums on U. S. bonds	21,383	21,088	20,733	96,750	71,900	72,280	5,500	5,500	5,500
Stocks, securities, etc	51,692	43,724	39,220	961,116	680,477	700,485	84,863	68,811	50,064
Banking house, furniture and fixtures	132,920	132,851	132,863	86,343	81,375	77,375	8,994	9,037	9,037
Other real estate and mortgages owned	115,285	115,285	115,250	480,346	267,628	263,442	71,175	80,909	89,750
Due from National banks (not reserve agents)	571,525	167,133	250,967	668,906	1,619,453	1,603,812	83,962	149,536	82,925
Due from State banks and bankers	15,507	49,462	11,149	1,179,573	790,568	1,900,846	52,788	41,240	39,345
Due from approved reserve agents	528,006	252,156	679,848	3,973,926	4,476,409	6,218,533	219,661	175,174	264,080
Checks and other cash items	4,084	1,514	6,857	109,537	49,874	83,082	41,561	55,529	12,580
Exchanges for clearing-house	25,062	4,426	22,220	631,065	354,670	620,900	9,354	7,400	25,589
Bills of other National banks	44,665	106,595	92,683	226,329	198,040	391,184	3,100	2,500	10,300
Fractional paper currency, nickels and cents	5,120	4,016	1,557	4,238	3,856	4,761	710	1,337	682
*Lawful money reserve in bank, viz.:									
Gold coin	290,934	328,901	340,291	924,000	1,101,012	495,147	105,795	97,067	159,270
Gold Treasury certificates	129,450	134,220	135,960	32,260	22,120	21,120	......	500	......
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	72,132	56,817	24,354	85,415	85,979	71,720	18,116	16,262	18,923
Silver Treasury certificates	116,140	149,155	233,240	406,648	527,445	872,162	1,812	2,521	4,577
Silver fractional coin	16,627	13,763	12,977	23,926	24,919	27,668	6,276	10,273	9,027
Legal-tender notes	688,280	784,225	1,215,564	996,013	880,200	1,300,000	139,376	45,954	52,671
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	9,000	9,000	9,000	15,750	11,250	11,250	6,750	6,750	6,750
Due from U. S. Treasurer	......	......	......	14,300	......	......	......	......	......
Total	$4,908,764	$4,643,022	$5,804,296	$25,663,845	$24,872,880	$30,515,127	$2,528,439	$2,586,527	$2,789,175
Liabilities.									
Capital stock paid in	$1,150,000	$1,150,000	$1,150,000	$3,300,000	$2,300,000	$2,300,000	$850,000	$850,000	$800,000
Surplus fund	546,800	558,800	557,300	525,000	477,000	480,000	85,000	35,000	85,000
Undiv. profits, less expenses and taxes paid	110,594	76,502	89,836	230,059	169,714	215,508	22,827	22,396	17,018
National bank notes issued, less am't on hand	185,190	141,800	189,680	315,000	225,000	225,000	183,650	185,000	185,000
Due to other National banks	396,714	289,602	663,896	5,199,585	5,817,248	7,052,783	91,843	125,581	175,186
Due to State banks and bankers	234,247	97,437	321,556	5,787,941	5,864,069	8,756,219	149,857	151,612	266,123
Dividends unpaid	3,848	4,786	4,168	1,607	23,837	2,258	......	......	......
Individual deposits	2,278,369	2,269,887	2,772,082	9,729,917	10,387,751	11,368,177	1,245,761	1,216,966	1,360,852
U. S. deposits	$50,000	50,000	50,000	77,192	65,782	62,222	......	......	......
Deposits of U. S. disbursing officers	......	......	......	22,544	42,457	53,007	......	......	......
Notes and bills rediscounted	......	......	95,100	......	......	......	......	......	......
Bills payable	......	......	......	525,000	......	......	......	......	......
Liabilities other than those above stated	8,000	4,206	727	......	......	......	......	......	......
Total	$4,908,764	$4,643,022	$5,804,296	$25,663,845	$24,872,880	$30,515,127	$2,528,439	$2,586,527	$2,789,175
Average reserve held	80.26 p. c.	72.49 p. c.	78.10 p. c.	85.75 p. c.	88.05 p. c.	89.57 p. c.	87.21 p. c.	27.41 p. c.	81.04 p. c.
* Total lawful money reserve	$1,314,263	$1,467,061	$1,962,386	$2,468,262	$2,641,675	$2,787,818	$271,375	$172,578	$239,468

	LOUISVILLE, KY.			MILWAUKEE, WIS.			MINNEAPOLIS, MINN.		
RESOURCES.	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*	*May 14, 1897.*	*July 23, 1897.*	*Oct. 5, 1897.*
Loans and discounts	$7,227,760	$7,059,853	$7,444,660	$14,308,492	$15,306,578	$15,522,444	$9,405,274	$9,370,769	$9,320,950
Overdrafts	9,533	7,469	7,737	106,086	139,807	145,918	11,604	10,118	9,453
U. S. bonds to secure circulation	1,575,000	1,575,000	1,575,000	720,000	720,000	720,000	300,000	300,000	300,000
U. S. bonds to secure U. S. deposits	500,000	500,000	500,000	390,000	390,000	390,000	50,000	50,000	50,000
U. S. bonds on hand	200,000	100,000	200,000	10,550	7,750	7,250	......	......	......
Premiums on U. S. bonds	244,300	224,812	227,125	120,859	134,484	134,484	24,125	24,125	23,812
Stocks, securities, etc	517,106	523,498	476,259	837,696	938,418	992,375	349,810	602,900	526,388
Banking house, furniture and fixtures	188,400	188,400	188,400	126,763	126,263	126,263	105,950	105,950	105,950
Other real estate and mortgages owned	3,668	4,468	3,268	62,080	64,900	67,489	70,000	53,761	71,657
Due from National banks (not reserve agents)	668,974	639,468	742,410	1,907,497	1,998,645	2,386,427	912,904	825,458	1,360,422
Due from State banks and bankers	236,849	157,915	187,579	757,991	767,026	994,825	568,432	641,426	1,111,907
Due from approved reserve agents	1,426,052	1,965,733	2,167,848	4,806,674	4,257,291	7,006,590	1,931,033	2,277,718	2,531,664
Checks and other cash items	11,594	9,687	44,168	4,447	4,137	3,695	32,974	15,418	25,799
Exchanges for clearing-house	156,502	33,724	31,514	411,657	268,249	647,307	414,462	511,291	800,208
Bills of other National banks	73,984	78,501	63,475	62,243	79,692	83,062	85,286	171,179	219,482
Fractional paper currency, nickels and cents	3,810	3,835	7,185	3,836	5,088	4,172	4,668	3,888	4,240
*Lawful money reserve in bank, viz.:									
Gold coin	718,355	720,044	588,367	1,691,728	1,754,664	1,838,175	835,855	1,016,955	842,312
Gold Treasury certificates	5,000	5,000	5,000	30,000	......	......	3,500	4,500	8,500
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	31,869	21,516	22,055	20,290	32,022	20,468	37,402	40,129	29,036
Silver Treasury certificates	......	......	......	114,732	294,872	140,670	45,500	55,000	50,000
Silver fractional coin	21,610	11,676	10,281	25,460	28,687	16,382	28,518	34,459	28,649
Legal-tender notes	635,901	604,594	558,721	1,115,761	1,168,139	1,313,917	402,917	581,952	1,096,740
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	70,695	70,695	70,695	32,400	32,400	32,400	12,900	12,750	13,500
Due from U. S. Treasurer	16,800	......	3,000	10,400	4,900	4,000	1,500	4,000	100,000
Total	$14,588,267	$14,505,883	$15,123,782	$27,679,094	$28,524,007	$32,598,314	$15,629,617	$16,623,746	$18,627,673
LIABILITIES.									
Capital stock paid in	$3,350,000	$3,000,000	$3,000,000	$3,250,000	$3,250,000	$3,250,000	$4,500,000	$4,500,000	$4,500,000
Surplus fund	651,500	651,000	651,000	531,000	575,000	575,000	476,000	491,000	491,000
Undiv. profits, less expenses and taxes paid	213,554	158,975	216,024	300,704	194,447	275,584	350,018	308,765	375,769
National bank notes issued, less am't on hand	1,412,200	1,418,150	1,413,390	643,300	631,990	623,380	222,550	210,830	206,847
Due to other National banks	2,451,533	2,580,202	2,640,509	2,486,700	3,053,840	3,185,823	1,868,486	2,163,241	2,840,256
Due to State banks and bankers	1,798,843	2,017,323	2,335,764	1,483,920	1,650,499	1,768,838	1,331,110	1,423,984	1,835,943
Dividends unpaid	5,279	7,558	3,702	125	1,297	250	1,170	1,432	13,784
Individual deposits	4,147,281	4,173,343	4,366,158	18,592,641	18,773,378	22,534,159	6,806,785	7,453,606	8,305,070
U. S. deposits	366,809	194,893	119,551	291,690	273,912	266,987	41,447	42,665	38,040
Deposits of U. S. disbursing officers	138,021	302,312	366,562	98,921	119,641	118,293	7,054	6,281	14,463
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	......	......	......	......	......	......	......	......	......
Liabilities other than those above stated	8,286	7,124	11,189	......	......	......	25,000	22,000	7,000
Total	$14,588,267	$14,505,883	$15,123,782	$27,679,094	$28,524,007	$32,598,314	$15,629,617	$16,623,746	$18,627,673
Average reserve held	37.40 p. c.	40.63 p. c.	38.86 p. c.	39.56 p. c.	36.46 p. c.	43.63 p. c.	40.81 p. c.	45.00 p. c.	48.11 p. c.
* Total lawful money reserve	$1,407,735	$1,362,830	$1,184,425	$2,997,969	$3,278,384	$3,329,607	$1,353,692	$1,732,995	$2,052,237

Resources.	New Orleans, La. May 14, 1897.	New Orleans, La. July 23, 1897.	New Orleans, La. Oct. 5, 1897.	Omaha, Neb. May 14, 1897.	Omaha, Neb. July 23, 1897.	Omaha, Neb. Oct. 5, 1897.	Philadelphia, Pa. May 14, 1897.	Philadelphia, Pa. July 23, 1897.	Philadelphia, Pa. Oct. 5, 1897.
Loans and discounts	$10,213,735	$10,423,575	$11,630,881	$7,846,174	$8,216,309	$9,147,514	$93,570,784	$96,045,461	$102,577,519
Overdrafts	406,954	360,783	463,275	96,638	113,139	130,542	8,532	21,458	14,024
U. S. bonds to secure circulation	872,000	872,000	872,000	600,000	600,000	600,000	8,232,500	8,212,500	8,212,500
U. S. bonds to secure U. S. deposits	......	......	......	500,000	400,000	450,000	200,000	300,000	300,000
U. S. bonds on hand	1,200	25,000	300	12,000	113,000	13,000	1,300,000	1,300,000	50,000
Premiums on U. S. bonds	41,000	39,154	39,000	96,221	96,326	92,826	868,701	819,756	747,130
Stocks, securities, etc	2,555,291	2,188,558	2,214,133	677,764	552,657	612,722	9,842,922	9,654,842	9,982,710
Banking house, furniture and fixture	621,247	620,747	623,943	832,089	832,384	832,384	4,353,660	4,353,656	4,353,656
Other real estate and mortgages owned	99,262	99,320	99,320	$517,061	556,213	509,306	553,841	561,235	576,294
Due from National banks (not reserve agents)	435,488	471,996	348,672	598,386	606,518	960,041	8,516,322	7,036,322	7,227,789
Due from State banks and bankers	432,712	382,201	408,588	482,350	428,554	638,834	1,654,426	1,332,215	1,373,803
Due from approved reserve agents	2,729,390	1,444,309	985,842	1,678,684	2,427,347	3,364,710	15,917,215	15,239,483	15,627,737
Checks and other cash items	9,753	13,371	18,614	99,635	126,310	96,076	1,034,903	945,082	1,176,457
Exchanges for clearing-house	923,901	642,289	724,475	495,885	460,991	617,906	7,900,562	6,854,032	10,762,893
Bills of other National banks	47,526	64,739	51,196	110,290	136,899	200,858	383,266	440,153	441,136
Fractional paper currency, nickels and cents	11,417	15,743	11,800	2,977	2,692	4,501	52,573	59,289	66,660
*Lawful money reserve in bank, viz.:									
Gold coin	782,579	723,017	745,283	1,613,457	1,529,387	856,057	1,455,945	1,739,630	1,658,448
Gold Treasury certificates	126,600	177,970	141,180	30,270	29,960	30,520	162,190	160,890	214,140
Gold clearing-house certificates	......	......	......	......	......	......	5,900,000	6,215,000	6,445,000
Silver dollars	84,190	74,583	48,759	106,279	119,728	98,152	193,272	245,607	210,420
Silver Treasury certificates	466,504	1,042,214	395,671	117,523	135,090	155,998	3,670,507	4,076,105	3,549,150
Silver fractional coin	59,016	75,566	74,088	55,572	49,745	48,068	243,774	319,993	350,880
Legal-tender notes	1,417,142	1,442,400	1,530,588	249,093	386,669	972,944	2,718,444	2,500,224	2,328,719
U. S. certificate of deposit for legal-tenders	265,000	295,000	230,000	......	......	......	8,605,000	6,620,000	7,460,000
Five per cent. redemption fund with Treas.	39,240	39,240	39,240	27,000	27,000	27,000	369,393	367,875	368,923
Due from U. S. Treasurer	10,000	......	......	2,100	......	600	93,978	59,378	62,718
Total	$22,651,153	$21,511,282	$21,696,855	$16,847,425	$17,946,924	$20,450,565	$177,829,512	$175,470,144	$188,138,718
Liabilities.									
Capital stock paid in	$2,300,000	$2,300,000	$2,300,000	$3,750,000	$3,750,000	$3,750,000	$21,915,000	$21,915,000	$21,915,000
Surplus fund	2,285,000	2,310,000	2,310,000	825,500	825,500	825,500	14,663,000	14,683,000	14,688,000
Undiv. profits less expenses and taxes paid	409,071	293,310	339,109	70,116	49,655	120,767	2,558,409	2,619,699	3,087,775
National bank notes issued, less am't on hand	767,145	770,595	758,045	539,995	539,995	531,605	7,051,192	7,142,852	7,184,875
Due to other National banks	1,274,635	864,926	899,138	2,849,113	2,878,662	3,722,009	22,732,660	23,222,607	26,997,896
Due to State banks and bankers	1,232,629	1,042,376	1,102,103	2,159,698	2,604,577	3,623,956	6,892,150	7,465,814	7,969,782
Dividends unpaid	8,400	27,177	13,379	373	373	373	137,078	68,832	46,434
Individual deposits	14,374,271	13,815,674	13,380,301	7,109,456	7,281,756	7,864,990	101,407,560	97,765,654	108,701,985
U. S. deposits	......	......	......	208,601	272,318	201,951	$202,460	311,671	302,015
Deposits of U. S. disbursing officers	......	......	......	204,570	159,086	229,412	......	......	......
Notes and bills rediscounted	......	87,222	194,777	......	......	......	......	......	......
Bills payable	......	......	400,000	......	85,000	80,000	270,000	275,000	250,000
Liabilities other than those above stated	......	......	......	185,000	......	......	......	11	......
Total	$22,651,153	$21,511,282	$21,696,855	$16,847,425	$17,946,924	$20,450,565	$177,829,512	$175,470,144	$186,138,718
Average reserve held	39.66 p. c.	37.45 p. c.	30.23 p. c.	37.50 p. c.	40.69 p. c.	41.96 p. c.	34.75 p. c.	33.12 p. c.	32.05 p. c.
* Total lawful money reserve	$3,201,031	$3,830,750	$3,165,569	$3,172,194	$2,250,580	$2,161,739	$22,949,133	$21,877,450	$22,216,757

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RESOURCES.	PITTSBURG, PA. May 14, 1897.	PITTSBURG, PA. July 23, 1897.	PITTSBURG, PA. Oct. 5, 1897.	ST. JOSEPH, MO. May 14, 1897.	ST. JOSEPH, MO. July 23, 1897.	ST. JOSEPH, MO. Oct. 5, 1897.	ST. LOUIS, MO. May 14, 1897.	ST. LOUIS, MO. July 23, 1897.	ST. LOUIS, MO. Oct. 5, 1897.
Loans and discounts	$48,951,772	$44,625,805	$45,599,629	$1,874,221	$1,795,406	$1,906,847	$28,100,360	$29,495,243	$32,060,316
Overdrafts	36,516	27,048	51,398	10,840	10,692	3,584	18,296	33,166	42,915
U. S. bonds to secure circulation	5,285,250	5,339,250	5,339,250	150,000	150,000	150 000	1,727,000	1,977,000	2,077,000
U. S. bonds to secure U. S. deposits	200,000	200,000	200,000	50,000	50,000	50.000	500,000	500,000	540,000
U. S. bonds on hand	216,600	220,900	421,600	700	700	700	100,000	100,000	75,000
Premiums on U. S. bonds	590,287	541,393	562,312	70	20	......	175,281	210,531	193,218
Stocks, securities, etc	2,862,775	3,419,898	3,373,784	12,390	12,390	12,390	1,441,588	1,352,196	1,308,357
Banking house, furniture and fixtures	3,375,338	3,446,446	3,456,608	72,000	72,000	72,000	935,874	933,874	933,874
Other real estate and mortgages owned	529,820	506,500	545,181	......	......	......	171,035	165,254	165,208
Due from National banks (not reserve agents)	1,876,534	2,409,442	2,383,621	334,564	262,981	238,750	6,020,540	5,622,249	8,223,574
Due from State banks and bankers	322,972	291,466	304,717	59,660	89,742	113,0[illegible]1	1,496,530	1,324,023	1.824,910
Due from approved reserve agents	4,349,921	7,389,722	6,826,725	522,027	589,147	818,342	......	......	......
Checks and other cash items	250,806	314,599	362,297	25,900	25,030	62,535	67,885	54,119	91,421
Exchanges for clearing-house	1,610,659	2,365,771	2,501,802	46,516	56,121	83,232	2,176,932	1,039,899	1,430,556
Bills of other National banks	328,474	395,613	383,842	10,965	9,735	6,935	840,764	312,127	810,547
Fractional paper currency, nickels and cents	18,200	19,176	23,700	301	309	455	2,450	1,486	1,643
*Lawful money reserve in bank, viz.:									
Gold coin	3,262,758	3,294,607	3,879,140	$98,777	92,371	87,837	2,127,420	1,728,877	1.354,372
Gold Treasury certificates	390,090	398,450	404,750	7,380	9,460	7,480	184,800	241,590	236,770
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	215,826	183,507	201,489	21,657	11,344	9,869	40,784	22.783	23,916
Silver Treasury certificates	775,755	1,072,083	954,801	76,079	82,071	100,032	1,068,409	1.001,896	706,290
Silver fractional coin	159,626	145,814	148,800	3,741	3,879	5,745	20,773	14,559	20,642
Legal-tender notes	2,018,914	2,707,484	2,164,795	175,422	168,572	146,827	3,806,683	2,640,229	4,136,688
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	1,430,000	2,470,000	1,600,000
Five per cent. redemption fund with Treas.	237,811	239,501	237,721	6,705	6,705	6,705	77,667	88,917	98,417
Due from U. S. Treasurer	6,000	16,244	11,002	......	2,100	900	5,500	10,500	4,000
Total	$72,872,711	$79,572,924	$79,838,921	$3,559,420	$3,500,832	$3,884,692	$52,037,076	$51,340,025	$57,454,641
LIABILITIES.									
Capital stock paid in	$12,300,000	$12,300,000	$12,300,000	$350,000	$350,000	$350,000	$8,400,000	$8,400,000	$8,400,000
Surplus fund	9,653,268	9,670,200	9,670,200	103,484	103,484	103,484	1,700,000	1,706,000	1,706,000
Undiv. profits, less expenses and taxes paid	1,740,141	1,683,016	1,912,278	30,980	25,187	43,748	670,262	682,500	685,455
National bank notes issued, less am't on hand	4,712,422	4,718,602	4,727,372	134,100	134,100	134,100	1,419,790	1,658,940	1,852,200
Due to other National banks	5,197,299	6,906,112	8,120,828	404,947	855,191	429,773	11,486,619	11,362,059	14,069,806
Due to State banks and bankers	1,822,849	2,269,037	2,440,857	603,875	677,934	836,966	7,971,781	7,749,332	8,546,770
Dividends unpaid	93,486	90,794	66,172	125	125	94	6,475	1,966	1,588
Individual deposits	37,144,005	41,715,423	40,398,688	1,883,234	1,805,272	1,934,953	19,853,993	19,252,624	21,676,339
U. S. deposits	139,054	122,575	93,956	48,970	48,762	49,457	519,954	554,901	546,480
Deposits of U. S. disbursing officers	65,082	79,169	......	584	775	93	......	......	......
Notes and bills rediscounted	......	15,398	108,566	......	......	......	......	......	......
Bills payable	......	......	......	......	......	......	......	......	......
Liabilities other than those above stated	5,100	2,600	......	......	......	......	8,200	21,700	......
Total	$72,872,711	$79,572,924	$79,838,921	$3,559,420	$3,500,832	$3,884,692	$52,037,076	$51,340,025	$57,454,641
Average reserve held	28.30 p. c.	33.75 p. c.	31.44 p. c.	36.62 p. c.	39.02 p. c.	42.12 p. c.	29.38 p. c.	26.81 p. c.	24.75 p. c.
* Total lawful money reserve	$6,822,969	$7,802,145	$7,253,776	$383,056	$367,699	$358,291	$8,678,869	$8,119,935	$8,078,679

RESOURCES.	ST. PAUL, MINN. May 14, 1897.	July 23, 1897.	Oct. 5, 1897.	SAN FRANCISCO, CAL. May 14, 1897.	July 23, 1897.	Oct. 5, 1897.	SAVANNAH, GA. May 14, 1897.	July 23, 1897.	Oct. 5, 1897.
Loans and discounts	$8,487,349	$8,529,510	$8,803,064	$7,458,969	$7,408,660	$8,183,555	$1,267,268	$1,143,765	$1,174,800
Overdrafts	4,565	2,052	3,028	83,657	248,288	207,719	770	814	237
U. S. bonds to secure circulation	252,000	252,000	252,000	150,000	150,000	150,000	102,000	102,000	102,000
U. S. bonds to secure U. S. deposits	475,000	475,000	475,000	100,000	150,000	150,000	90,000	90,000	90,000
U. S. bonds on hand	......	......	......	......	......	......	......	......	......
Premiums on U. S. bonds	......	......	......	12,660	23,597	23,597	10,900	10,900	10,650
Stocks, securities, etc	1,172,751	1,444,719	1,481,185	744,300	763,721	664,279	53,908	44,458	41,974
Banking house, furniture and fixtures	702,718	702,718	702,718	345,221	345,221	345,586	67,239	67,239	67,239
Other real estate and mortgages owned	75,138	75,826	74,138	90,033	90,135	87,230	16,801	15,334	15,860
Due from National banks (not reserve agents)	725,374	815,234	842,136	126,826	201,183	270,428	51,601	61,634	66,824
Due from State banks and bankers	211,248	195,430	409,131	338,519	192,202	290,307	52,157	42,779	47,908
Due from approved reserve agents	3,593,182	3,855,179	4,123,972	229,755	385,063	240,291	37,040	93,704	131,817
Checks and other cash items	80,493	77,417	109,371	8,290	8,290	8,290	499	609	364
Exchanges for clearing-house	196,867	256,017	361,971	136,984	93,415	183,465	36,016	17,585	8,628
Bills of other National banks	102,664	155,369	164,089	2,450	4,625	2,000	25,000	27,000	59,422
Fractional paper currency, nickels and cents	3,697	2,882	2,810	657	806	72	719	1,387	1,585
*Lawful money reserve in bank, viz.:									
Gold coin	2,151,686	2,013,936	1,996,843	1,559,157	1,605,550	2,601,667	32,500	30,000	29,000
Gold Treasury certificates	10,820	10,800	......	......	......	......	2,000	2,000	2,000
Gold clearing-house certificates	......	......	......	......	......	......	......	......	......
Silver dollars	117,050	94,270	112,500	21,200	13,040	9,120	8,000	16,000	8,000
Silver Treasury certificates	93,205	183,434	395,588	6,258	9,431	3,200	39,322	43,046	75,000
Silver fractional coin	47,147	38,778	40,326	34,715	25,361	37,100	13,000	10,200	4,500
Legal-tender notes	247,321	346,854	634,897	2,000	2,080	2,000	50,000	40,000	71,000
U. S. certificates of deposit for legal-tenders	......	......	......	......	......	......	......	......	......
Five per cent. redemption fund with Treas.	11,293	11,293	11,293	6,750	6,750	6,750	4,543	4,543	4,543
Due from U. S. Treasurer	32,030	23,309	18,089	1,050	......	......	2	2	2
Total	$18,793,605	$19,562,083	$21,014,157	$11,459,456	$11,727,421	$13,416,663	$1,956,291	$1,864,455	$2,013,357
LIABILITIES.									
Capital stock paid in	$3,800,000	$3,800,000	$3,800,000	$2,500,000	$2,500,000	$2,500,000	$750,000	$750,000	$750,000
Surplus fund	855,000	855,000	855,000	1,475,000	1,500,000	1,500,000	225,000	225,000	225,000
Undiv. profits, less expenses and taxes paid	897,642	846,887	850,568	185,219	106,660	211,206	59,925	43,743	54,271
National bank notes issued, less amt on hand	217,650	213,470	212,550	90,000	90,000	90,000	80,335	72,455	90,355
Due to other National banks	2,005,377	2,156,124	3,046,046	658,474	662,482	835,007	70,869	42,784	49,887
Due to State banks and bankers	1,687,439	2,206,615	2,282,554	777,166	841,067	1,311,005	122,652	77,680	87,833
Dividends unpaid	2,766	4,527	7,371	1,110	4,685	1,800	1,050	2,897	1,489
Individual deposits	8,648,051	9,002,584	9,506,325	5,665,657	5,847,326	6,811,962	546,250	560,429	543,444
U. S. deposits	225,368	331,340	147,063	106,827	175,198	155,681	26,107	9,966	38,833
Deposits of U. S. disbursing officers	214,312	145,483	306,676	......	......	......	64,100	79,466	47,242
Notes and bills rediscounted	......	......	......	......	......	......	......	......	......
Bills payable	240,000	......	......	......	......	......	......	......	125,000
Liabilities other than those above stated	......	......	......	......	......	......	......	......	......
Total	$18,793,605	$19,562,083	$21,014,157	$11,459,456	$11,727,421	$13,416,663	$1,956,291	$1,864,455	$2,013,357
Average reserve held	54.31 p. c.	52.75 p. c.	54.11 p. c.	28.16 p. c.	29.08 p. c.	34.45 p. c.	26.83 p. c.	38.36 p. c.	55.61 p. c.
*** Total lawful money reserve**	$2,667,230	$2,688,072	$3,180,155	$1,623,331	$1,655,462	$2,653,088	$139,822	$141,246	$189,500

Resources.	Washington, D. C. May 14, 1897.	Washington, D. C. July 23, 1897.	Washington, D. C. Oct. 5, 1897.	The United States. May 14, 1897.	The United States. July 23, 1897.	The United States. Oct. 5, 1897.
Loans and discounts	$8,087,818	$9,084,052	$8,842,787	$1,923,365,869	$1,966,891,500	$2,048,589,976
Overdrafts	15,233	13,620	10,313	10,786,007	10,662,210	15,707,442
U. S. bonds to secure circulation	929,150	979,150	879,150	229,419,550	228,439,400	227,119,700
U. S. bonds to secure U. S. deposits	100,000	100,000	100,000	16,533,000	16,723,500	17,003,000
U. S. bonds on hand	533,100	522,350	393,700	15,858,850	16,738,300	15,487,650
Premiums on U. S. bonds	92,001	131,208	117,116	17,628,105	17,436,215	17,242,020
Stocks, securities, etc	1,349,443	1,061,497	1,104,072	203,422,977	204,932,235	208,790,839
Banking house, furniture and fixtures	1,069,994	1,069,994	987,166	78,695,971	78,973,817	78,968,665
Other real estate and mortgages owned	52,958	53,126	53,445	28,507,938	28,587,539	29,258,286
Due from National banks (not reserve agents)	1,146,061	1,090,115	1,131,170	140,940,788	135,587,688	155,809,095
Due from State banks and bankers	510,516	342,617	436,962	35,971,045	34,275,424	41,874,840
Due from approved reserve agents	2,574,778	2,053,303	2,120,706	251,948,640	275,755,165	296,710,294
Checks and other cash items	139,005	152,131	210,689	12,000,494	12,017,815	15,517,457
Exchanges for clearing-house	193,612	133,285	227,823	84,350,553	89,457,189	112,305,585
Bills of other National banks	7,408	8,342	9,378	19,476,047	20,606,097	20,558,689
Fractional paper currency, nickels and cents	7,651	6,929	6,422	966,579	981,780	961,071
*Lawful money reserve in bank, viz.:						
Gold coin	880,092	783,945	678,639	119,609,201	119,467,606	118,750,797
Gold Treasury certificates	690,050	682,750	630,750	19,426,050	16,792,990	17,512,900
Gold clearing-house certificates	......	......	......	51,361,000	57,426,000	59,525,000
Silver dollars	9,272	6,794	9,557	6,948,233	6,853,275	6,464,345
Silver Treasury certificates	1,226,216	1,046,160	1,136,951	33,175,176	34,626,625	31,576,343
Silver fractional coin	30,647	29,423	31,518	5,556,722	5,756,105	5,414,442
Legal-tender notes	607,583	461,061	407,061	120,554,992	126,511,020	107,136,624
U. S. certificates of deposit for legal-tender notes	120,000	50,000	90,000	53,590,000	46,085,000	42,275,000
Five per cent. redemption fund with Treasurer	37,294	39,409	34,954	10,082,720	10,003,629	10,006,909
Due from U. S. Treasurer	......	2,063	......	2,235,481	1,819,922	1,180,139
Total	$20,359,890	$19,903,331	$19,645,251	$3,492,411,995	$3,563,408,053	$3,701,247,064
Liabilities.						
Capital stock paid in	$3,075,000	$3,075,000	$2,875,000	$637,002,395	$632,153,042	$630,338,095
Surplus fund	1,422,500	1,439,000	1,239,500	246,736,684	246,403,782	246,183,590
Undivided profits, less expenses and taxes paid	334,632	291,793	279,632	88,074,930	88,863,440	88,342,691
National bank notes issued, less amount on hand	703,865	721,835	672,745	198,278,310	196,590,790	198,603,222
State bank notes outstanding	......	......	......	60,381	60,381	60,880
Due to other National banks	413,987	350,160	401,049	363,219,013	388,117,906	418,643,030
Due to State banks and bankers	217,464	226,910	210,123	195,001,040	208,876,900	227,036,629
Dividends unpaid	3,024	5,208	5,589	1,429,450	1,800,659	1,779,942
Individual deposits	14,112,866	13,701,278	13,837,279	1,728,083,971	1,770,480,563	1,851,192,929
U. S. deposits	55,548	77,146	69,653	12,128,991	12,922,506	12,081,247
Deposits of U. S. disbursing officers	......	......	35,468	3,499,856	3,468,852	4,060,983
Notes and bills rediscounted	......	......	19,211	5,419,397	5,450,428	7,208,183
Bills payable	21,000	15,000	......	10,832,409	9,625,115	12,546,510
Liabilities other than those above stated	......	......	......	2,645,163	3,594,185	3,174,676
Total	$20,359,890	$19,903,331	$19,645,251	$3,492,411,995	$3,563,408,053	$3,701,247,064
Average reserve held	44.21 p. c.	37.77 p. c.	37.45 p. c.	....	....	....
*Total lawful money reserve	$3,565,860	$3,060,133	$2,979,446	410,221,374	$413,518,621	388,655,451

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, November 4, 1897.

THE SALE OF THE UNION PACIFIC RAILROAD under foreclosure, effected November 1, may be considered the most important influence that dominated financial circles during the past month. The Union Pacific, by a combination of circumstances, some financial others political, has been an important factor in the world of finance for many years, and the prospect of a severance of the ties which bound the road to the Government will generally be considered a most fortunate occurrence.

One has but to read the debates in Congress which attended the chartering of the road to appreciate how excellent a bargain the Government has driven with the reorganization committee, which has secured to it every dollar principal and interest of the indebtedness due from the company.

The public debt statement of November 1 shows that the Union Pacific on that date owed the Government $27,236,512 principal of bonds and $30,830,181 interest, a total of $58,066,693. All of this sum the reorganization committee has agreed to pay the Government, and there is $18,183,171 in the sinking fund which will go towards reducing the actual payment to be made.

The Government, after making two agreements, first to accept $45,754,000 and next $50,000,000, has succeeded in securing the entire $58,000,000 under threat to delay the sale of the railroad until after Congress should meet. Experience with Congress extending over a period of twenty years has demonstrated the futility of expecting any reasonable legislation where the Pacific railroads were involved, and this explains the capitulation of the reorganization committee.

The history of the Union Pacific is unique. It was chartered on July 1, 1862, when the Government was anxious to secure a railroad to the Pacific coast. The Government agreed to lend its credit to secure the building of the road, and was to be secured by a first mortgage. It was found impossible to obtain the additional money required, and on July 2, 1864, the railroad company was authorized to issue first mortgage bonds and the Government took a second mortgage for its advances. In the debate in Congress when the road was chartered it was predicted that the Government never would be reimbursed, and there were statesmen who argued that even if every cent were lost the Government would gain a thousand fold by securing a transcontinental railroad route. The scheme was generally considered impracticable, yet the road was built and in operation by May 10, 1869, although the charter fixed July 1, 1876, as the date for its completion.

The road has been bankrupt for several years, but with its reorganization completed, and the Government lien on its property and earnings removed, it has the chance of enjoying greater prosperity. It is interesting to note that when the Union Pacific was chartered there were only about 32,000 miles of railroad in the country, or only about one-sixth of the present mileage. Competition has seriously handicapped the pioneer railroad to the western coast.

The settlement of the Union Pacific question removes one more troublesome issue from the domain of Congressional tinkering. With that and the tariff question out of the way it is hoped that Congress will promptly take up the currency question. The Administration has been considering plans, the Secretary of the Treasury having given the matter much thought. The Monetary Commission is also gathering data and receiving suggestions from all sources. Nevertheless there is grave doubt whether the Senate as now constituted will pass any measure looking to the reform of the currency system, and that doubt is causing considerable uneasiness in financial circles.

The present condition of the Treasury as far as its gold reserve is concerned is unquestionably safe, but the same influences exist now that from 1893 down to as late as August, 1896, forced gold out of the Treasury faster than the Government could replenish its supply. These influences lie not only in the deficient revenues of the Government but in the large amount of legal-tender notes which are redeemable in gold.

The Treasury now has nearly $156,000,000 of gold, more than at the end of any previous month since November, 1890, but in March, 1888, the Government owned nearly $219,000,000 and lost $100,000,000 of it in the succeeding three years, while in January, 1895, it had less than $45,000,000. There is no present prospect of a dearth of gold, however, for even if the present rate of Treasury deficits should continue it will be a long time before the surplus in the Treasury shall be extinguished. But with a change in our trade balance and an outward flow of gold, the drain upon the Treasury will be resumed. It is only the part of wisdom to look beyond the present that future perils may be avoided.

Few perhaps realize how great has been the increase in our gold supply since the great silver question was the issue in our presidential campaign. The stock of gold in the country in use as money or made the basis of money is now larger than ever before. The Treasury estimate for November 1 makes the total gold supply $729,661,210. Prior to October 1 the largest total was $711,705,050 on October 31, 1888. We have now nearly $18,000,000 more than that and it is not surprising that the banks are finding some inconvenience in taking care of it, or that the Government is withdrawing the privileges heretofore offered to depositors of gold in the Treasury.

That the supply will be greater rather than less in the near future hardly admits of a doubt. By lending on foreign exchange, and the Bank of England disposing of New York city bonds and raising the price of gold bars and eagles and by other ways the gold import movement has been checked, but there is that enormous trade balance steadily growing larger for which some provision must be made by our foreign customers. In the three months ended September 30 and particularly in the last month of that period the excess of our exports over imports has been exceptionally large. For purposes of comparison we show the net movements for each of the three months with the totals for the period this year and last.

NET EXPORTS.

1896.	*Merchandise.*	*Gold.*	*Silver.*	*Total.*
July	$15,609,237	$10,263,450	$3,128,045	$29,000,732
August	19,132,816	*2,316,994	3,021,846	19,837,668
September	34,275,108	*34,253,454	3,723,690	3,745,344
Total	$69,017,161	*$26,306,998	$9,873,581	$52,583,744
1897.				
July	$17,420,630	$4,523,918	$2,011,290	$23,955,838
August	40,976,738	*2,734,761	2,109,783	40,351,760
September	62,281,187	*4,623,814	1,700,356	59,358,229
Total	$120,678,555	*$2,834,157	$5,821,429	$123,665,827

*Imports.

In three months this country has exported $123,665,827 more merchandise, gold and silver than it imported; in the month of August alone more than $40,000,000 and in September $59,000,000. In the same three months last year the net exports of the entire period were less than in September this year. In September last year we imported $34,000,000 of gold, but in the same month this year less than $5,000,000. That the merchandise movement will bring gold this way before the close of the year, and in considerable volume, is a justifiable inference based upon part experience.

That this view is entertained abroad is suggested in the further advance last month in the Bank of England rate of discount from 2½ to 3 per cent. following the advance from 2 per cent. in the previous month. The Bank of Germany, which raised its rate from 3 to 4 per cent. in September, marked it up to 5 per cent. last month.

While money has become dearer abroad rates have tended downward here, and this fact has had a good deal to do with checking the gold imports which were assuming large proportions early in the month.

The business situation is steadily improving. Bank clearings are growing in volume and it is possible previous high records will shortly be broken. Railroad earnings gross and net are showing substantial gains in nearly all directions and the freight movement has increased.

The speculative markets have been rather quiet during the month, a natural reaction from the previous extraordinary activity. Only twice, on October 12 and 18, did the sales of stocks at the New York Stock Exchange equal 500,000 shares, while the usual daily trading was only 200,000 to 300,000 shares. There was an average decline in prices of stocks for the month of about 2 per cent., and of more than 3 per cent. from the highest prices recorded early in the month.

A further decline in cotton has put the price below 6 cents, the lowest since March, 1895, and within one-half a cent of the lowest ever recorded. The movement of cotton has been very heavy in the past two months—in fact was larger than from the largest crop ever known. While estimates of the crop make this year's yield show a very large total, still it is believed that the crop suffered injury while nearing maturity and the receipts will show a considerable falling off. Strikes are threatened among the English cotton-mill operatives and these with the low prices of print cloths are having a depressing influence upon the price of the raw product.

The large exports of wheat are causing the price of wheat to advance again and on October 28 the dollar line was crossed and $1.01½ recorded. On August 28 the price touched $1.10⅛. The export movement continues to grow. In September the total exports of wheat and flour were 26,000,000 bushels as compared with about 18,000,000 in September, 1896, and 19,000,000 bushels in August, 1897. During the four weeks of October the shipments from Atlantic ports alone were about 14,000,000 bushels, against less than 10,000,000 bushels last year. While wheat has advanced from 5 to 7 cents a bushel during the month, corn has been weaker and shows a net decline of 3 cents per bushel.

The evidence of better times is disclosed in the record of failures, which both in number and in aggregate of liabilities are steadily declining. The complete statistics for October are not yet published, but "Dun's Review" reports for the three weeks of the month 219 failures in the United States as against 270 last year, a decrease of nearly 20 per cent. The aggregate liabilities were $6,570,496, against $12,243,966 last year, a decrease of 46 per cent. Compared with 1895 there is a decrease of 41 per cent., with 1894 of 20 per cent. and with 1893 of 65 per cent. This improvement follows a notable change for the better as reflected in the statistics for the third quarter of the year. These show only 2,881 failures, the smallest since 1892. The total liabilities, were $25,601,188, only about one-third of those for the corresponding quarter of 1896 and the smallest since 1882, excepting the three years 1885, 1888 and 1892.

The improvement in the general condition of business is still more apparent when the failures in the third quarter are compared with those of the previous quarterly periods of the year. In the first quarter the failures were 3,932 with liabilities of $48,007,911 and in the second 2,889 with liabilities of $43,684,876. In each the liabilities were nearly double those of the third quarter. The following statement shows the failures in each of the three quarters for the past five years.

YEAR.	First quarter.		Second quarter.		Third quarter.	
	Number.	Liabilities.	Number.	Liabilities.	Number.	Liabilities.
1893	3,202	$47,338,300	3,199	$121,541,239	4,015	$82,469,821
1894	4,304	64,137,333	2,734	37,595,973	2,868	29,411,196
1895	3,802	47,813,683	2,855	41,026,261	2,792	32,167,179
1896	4,031	57,425,135	2,995	40,444,547	3,757	73,285,349
1897	3,932	48,007,911	2,889	43,684,876	2,881	25,601,188

For many years the iron trade has been considered the barometer of the condition of general business.· The largely increased use of iron and steel for building and other purposes in recent years has caused a failure on the part of this hitherto reliable index of trade to register accurately the depths of depression into which the country has been plunged, but improvement in the iron trade now must be accepted as indicative of improvement in other industries. While prices still fail to make a rapid advance, and the immediate future is not expected to witness a great increase in activity as the dull season is approaching, the sentiment prevails that a period of prosperity will open up early next year that will equal in extent the past four years of depression.

In the production of pig iron there has been such an increase as to warrant the most hopeful views regarding the future. In the Pittsburg district every blast furnace is now in operation and the output of pig iron in that district is larger than ever before. The total output of pig iron is now in excess of 10,000,000 tons a year while a year ago it was less than 6,000,000 tons. The output on the first of each month in the past two years is shown as follows:

MONTH.	Furnaces in blast.	Weekly capacity.	MONTH.	Furnaces in blast.	Weekly capacity.
		Tons.			Tons.
November 1, 1895	239	217,306	November 1, 1896	133	124,077
December 1, 1895	242	216,797	December 1, 1896	147	142,278
January 1, 1896	241	207,481	January 1, 1897	154	159,720
February 1, 1896	215	198,599	February 1, 1897	154	162,959
March 1, 1896	207	189,583	March 1, 1897	156	169,986
April 1, 1896	200	187,451	April 1, 1897	153	173,279
May 1, 1896	196	189,398	May 1, 1807	146	170,528
June 1, 1896	194	182,220	June 1, 1897	146	168,380
July 1, 1896	191	180,532	July 1, 1897	145	164,064
August 1, 1896	173	157,078	August 1, 1897	152	165,378
September 1, 1896	145	129,500	September 1, 1897	161	185,506
October 1, 1896	130	112,782	October 1, 1897	171	200,128

The weekly output on October 1 was the largest since January, 1896, and has increased 36,064 tons since July 1 last. While production has increased, however, stocks on hand have decreased, being only 691,527 tons on October 1, as compared with 1,000,612 tons on July 1, showing that consumption has exceeded production in the past three months by more than 300,000 tons. The increased output by this token is warranted by existing conditions and is the more significant of a condition which makes for prosperity.

THE MONEY MARKET.—The local money market has again lapsed into a state of ease, and rates for money are lower than they were a month ago. The yellow fever quarantine has interfered with the movement of money to the South on account of the cotton crop movement, although late in the month considerable currency was transferred to St. Louis from this city for handling that staple. The financiering of the Union Pacific reorganization may cause a temporary activity in the money market in the near future, but just now money is cheap and plenty. The scarcity of commercial paper is one of the most remarkable features of the situation, and is probably unparalleled in the experience of bankers in this season of the year At the close of the month call money ruled at 1½ to 2½ per cent. the average rate being about 2 per cent. Bank and trust companies quote 2½ per cent. as the minimum on Stock Exchange collateral. Time money on Stock Exchange collateral was quoted at 2½ per cent. for 60 days, 3 per cent. for 90 days, 3½ per cent. for four months, and 3½ @ 4 per cent. for five to six months. For commercial paper the rates are 3¾ @ 4 per cent., for 60 to 90 days endorsed bills receivable, 4 @ 4½ per cent. for first-class four to six months single names, and 4½ @ 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

MONEY RATES IN NEW YORK CITY.

	June 1.	*July 1.*	*Aug. 1.*	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1¼–1½	1 –2	1 –2	1 –1½	3 –3½	1½– 2½
Call loans, banks and trust companies	1¼–1½	1 –2	1 –2	1½–	3½–	2½–
Brokers' loans on collateral, 30 to 60 days	2 –	2 –	1½–	2½–	3 –	2½
Brokers' loans on collateral, 90 days to 4 months	2½–	2 –2½	2 –2½	3 –	3½–4	3½–
Brokers' loans on collateral, 5 to 7 months	3 –	2½–3	3 –	3½–	4½–5	3½–4
Commercial paper, endorsed bills receivable, 60 to 90 days	3½–	3 –3¼	3½–	3¾–4	4¼–4½	3¾–4
Commercial paper prime single names, 4 to 6 months	3¾–4½	3¼–4	3¾–4	4 –4½	4½–5	4 –4½
Commercial paper, good single names, 4 to 6 months	4½–5	4 –4½	4½–5	4¾–5	5 –6	4½–5

EUROPEAN BANKS.—Nearly $27,000,000 of gold was lost by the principal European banks last month, the Bank of England suffering the greatest drain, that institution holding $12,000,000 less than it did a month ago, and $21,000,000 less than it did a year ago. The Bank of France lost $6,500,000 in the month but has about $4,000,000 more than at this time last year. The Bank of Germany lost $8,000,000 in the month and has about $7,000,000 less than a year ago.

GOLD AND SILVER IN THE EUROPEAN BANKS.

	January 1, 1897.		*October 1, 1897.*		*November 1, 1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*	*Gold.*	*Silver.*
England	£34,158,899	....	£34,366,741	....	£31,928,171	....
France	76,584,590	£49,130,797	79,723,800	£48,515,382	78,382,764	£48,261,644
Germany	28,505,450	14,252,750	28,175,000	14,514,000	26,512,000	13,658,000
Austro-Hungary	30,340,000	12,578,000	38,027,000	12,512,000	37,970,000	12,414,000
Spain	8,528,000	10,210,000	9,028,000	10,600,000	9,228,000	10,520,000
Netherlands	2,634,000	6,841,000	2,630,000	6,830,000	2,630,000	6,702,000
Nat. Belgium	2,736,667	1,368,833	2,806,000	1,403,000	2,753,333	1,376,667
Totals	£183,487,606	£94,380,880	£194,756,541	£94,374,382	£189,404,268	£92,982,311

FOREIGN EXCHANGE.—The sterling exchange market has been quiet during the month with rates ruling lower. The dearer rates for money abroad and the advance in the price of gold bars in London to 78 shillings, and of American Eagles to 76 shillings 7½ pence, checked the gold import movement which began early in the month. A scarcity of cotton and grain bills has prevented rates from declining lower, and there have been reports that long exchange has been pledged as collateral for loans with some of our banks to be held until it becomes sight exchange.

FOREIGN EXCHANGE—ACTUAL RATES ON OR ABOUT THE FIRST OF EACH MONTH.

	July 1.	*Aug. 1.*	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*
Sterling Bankers—60 days	4.85¾—6	4.86¼—½	4.83½—¾	4.82½—¾	4.82¼—2½
" " Sight	4.87—¾	4.87¼—½	4.85½—¾	4.84¾—5	4.85¼—5½
" " Cables	4.87¼—½	4.87½—¾	4.85¾—6	4.85—¼	4.85¾—6
" Commercial long	4.85¼—½	4.85¾—6	4.83—¼	4.82—¼	4.81¾—2
" Docu'tary for paym't.	4.84¾—5	4.85¼—½	4.82½—¾	4.81½—¾	4.81¼—1½
Paris—Cable transfers	5.15—4⅜	5.15¼—4⅜	5.18⅛—7½	5.18¾—	5.18⅛—
" Bankers' 60 days	5.16⅞—	5.16⅞—	5.20 1/16—20	5.21¼—	5.20⅝—
" Bankers' sight	5.15 1/16—5	5.15—	5.18⅛—	5.19⅜—8¾	5.18¾—
Antwerp—Commercial 60 days.	5.19⅜—8¾	5.18¾—⅛	5.22½—1⅞	5.23⅛—	5.22½—1⅞
Swiss—Bankers' sight	5.17½—	5.16¼—	5.18¾—⅛	5.20—19⅜	5.19⅜—
Berlin—Bankers' 60 days	95¼—5/16	95 5/16—⅜	94 13/16—⅞	94½—9/16	94⅝—11/16
" Bankers' sight	95 11/16—¾	95¾—	95¼—5/16	95⅛—3/16	95 5/16—⅜
Brussels—Bankers' sight	5.15⅝—	5.15⅝—1/16	5.18¾—⅛	5.20—19⅜	5.19⅜—
Amsterdam—Bankers' sight	40 5/16—⅜	40⅜—7/16	40⅛—3/16	40⅛—3/16	40 3/16—¼
Kronors—Bankers' sight	27—1/16	27—1/16	26⅞—15/16	26⅞—15/16	26⅞—15/16
Italian lire—sight	5.38⅛—5½	5.40¼—37¼	5.44⅝—2⅝	5.46¼—8¼	5.46½—3⅛

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	BANKERS' STERLING.		*Cable transfers.*	*Prime commercial. Long.*	*Documentary Sterling. 60-days.*
	60 days.	*Sight.*			
Oct. 2	4.82½ @ 4.82¾	4.84½ @ 4.84¾	4.85 @ 4.85¼	4.82 @ 4.82¼	4.81½ @ 4.81¾
" 9	4.82¼ @ 4.82½	4.84½ @ 4.84¾	4.84¾ @ 4.85	4.81¾ @ 4.82	4.81¼ @ 4.81½
" 16	4.82 @ 4.82¼	4.84½ @ 4.84¾	4.84¾ @ 4.85	4.81½ @ 4.81¾	4.81 @ 4.81¼
" 23	4.82¼ @ 4.82½	4.84¾ @ 4.85	4.85¼ @ 4.85½	4.81¾ @ 4.82	4.81¼ @ 4.81½
" 30	4.82¼ @ 4.82½	4.85¼ @ 4.85½	4.85¾ @ 4.86	4.81¾ @ 4.82	4.81¼ @ 4.81½

BANK OF ENGLAND STATEMENT AND LONDON MARKETS.

	July 14, 1897.	*Aug. 11, 1897.*	*Sept. 15, 1897.*	*Oct. 13, 1897.*
Circulation (exc. b'k post bills)	£28,046,805	£28,008,420	£27,357,105	£27,872,765
Public deposits	7,138,815	7,004,421	7,620,581	7,178,852
Other deposits	43,795,055	40,514,160	40,119,267	40,582,667
Government securities	13,786,887	13,783,480	13,429,726	15,258,726
Other securities	29,714,229	27,403,906	27,987,609	29,381,214
Reserve of notes and coin	25,484,820	24,411,110	24,754,644	20,924,263
Coin and bullion	36,731,125	35,619,530	35,311,749	31,997,028
Reserve to liabilities	49⅞%	51¼%	51¾%	43 11/16%
Bank rate of discount	2%	2%	2%	3%
Market rate, 3 months' bills	1 11/16%	1⅛%	2%	2⅛%
Price of Consols (2¾ per cents.)	112 13/16	112⅛	111⅜	111 11/16
Price of silver per ounce	27 3/16d.	25⅝d.	25⅞	26⅜d.
Average price of wheat	27s. 4d.	29s. 5d.	33s. 1d.	32s. 1d.

SILVER.—There was a considerable advance in the price of silver in the London market during the month, the advance being due largely to purchases made on

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	1895.		1896.		1897.		MONTH.	1895.		1896.		1897.	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January	27 7/16	27 3/16	30⅛	30⅞	29 13/16	29 11/16	July	30⅝	30¼	31⅝	31⅜	27 11/16	26⅜
February	27 11/16	27¼	31 3/16	30¾	29¾	29 11/16	August	30 7/16	30¼	31⅜	30⅝	26½	23¾
March	30¼	27⅝	31 11/16	31⅛	29⅝	28 3/16	Septemb'r	30 3/16	30 1/16	30 11/16	30	27¼	23¾
April	30⅞	29⅞	31 3/16	30 13/16	28½	28 3/16	October	31⅜	30⅝	30 3/16	29¾	27½	26
May	30⅞	30 3/16	31 3/16	30 15/16	28 3/16	27⅝	Novemb'r	31	30⅝	30 3/16	29¾		
June	30 11/16	30⅛	31 5/16	31 3/16	27¾	27⅛	Decemb'r	30 11/16	30	30	29 13/16		

account of short sale contracts that have matured. There were frequent fluctuations but the final price was the highest of the month, 27½ pence per ounce, as compared with 25½ pence a month ago, a gain of 2d. per ounce.

MONEY RATES ABROAD.—There was a general advance in rates in the European money markets. The Bank of England on October 14 advanced its rate of discount from 2½ to 3 per cent., the lower rate having been maintained since September 22. The Bank of Germany advanced its rate to 5 per cent. on October 11. Discounts of 60 to 90 day bills in London at the close of the month were 3 per cent. against 2 per cent. a month ago. The open market rate at Paris was 2 per cent., an advance of ⅛ per cent.; at Berlin and Frankfort, 4¼ per cent., an advance of ½ per cent.

MONEY RATES IN FOREIGN MARKETS.

	May. 14.	*June 18.*	*July 16.*	*Aug. 13.*	*Sept. 17.*	*Oct. 16.*
London—Bank rate of discount.....	2	2	2	2	2	3
Market rates of discount:						
60 days bankers' drafts......	⅞	⅞	⅞	1½	2	2⅜—2½
6 months bankers' drafts....	1⅛—¼	1 3/16—¼	1¼	2¼	2½	2⅝—¾
Loans—Day to day...........	½	½	½	½	1	1¼
Paris, open market rates............	1¾	1¾	1¾	1¾	1⅞	2
Berlin, "	2¼	2¾	2⅜	2¾	3½	4
Hamburg, "	2¼	2¾	2⅜	2⅞	3½	4⅛
Frankfort, "	2⅜	2⅞	2½	2⅝	3½	4¼
Amsterdam, "	2½	1⅞	2⅜	2¼	2½	3
Vienna, "	3⅛	3⅛	3¼	3 7/16	4	3⅞
St. Petersburg, "	5¾	5¾	5¾	4½	5	5
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4½	4½	5	4	4½	5

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars..................	$ .60	......	Twenty marks.................	$4.74	$4.78
Mexican dollars...............	.45	$ .46¼	Spanish doubloons.............	15.50	15.70
Peruvian soles, Chilian pesos..	.41	.43	Spanish 25 pesos................	4.78	4.83
English silver....................	4.83	4.86	Mexican doubloons............	15.50	15.70
Victoria sovereigns...........	4.84	4.87	Mexican 20 pesos..............	19.50	19.60
Five francs.....................	.93	.95	Ten guilders.....................	3.95	3.99
Twenty francs..................	3.83	3.87			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27½d. per ounce. New York market for large commercial silver bars, 58½ @ 59½c. Fine silver (Government assay), 58¾ @ 60c.

GOLD AND SILVER COINAGE.—The coinage of the United States mints in October aggregated $6,426,500 of which $3,845,000 was gold, $2,301,000 silver, $620,000 standard dollars and $280,500 minor coin.

COINAGE OF THE UNITED STATES.

	1896.		*1897.*	
	Gold.	*Silver.*	*Gold.*	*Silver.*
January..	$12,914,600	$65,000	$7,803,420	$1,964,800
February..	1,240,000	1,500,000	10,152,000	1,519,794
March..	1,540,555	1,683,531	13,770,900	1,617,654
April..	1,500,000	1,831,000	8,800,400	1,585,000
May..	2,857,200	1,826,490	4,489,950	1,600,000
June..	2,471,217	1,950,698	2,100,547	1,856,754
July..	2,918,200	1,092,000	877,000	260,000
August..	3,315,000	2,686,000	8,756,250	701,496
September..	3,140,923	2,754,185	8,762,875	1,050,092
October..	5,727,500	2,844,010	3,845,000	2,301,000
November..	5,064,700	2,305,022		
December..	4,363,165	2,551,968		
Year..	$47,052,561	$23,089,899	$68,857,842	$14,496,590

NEW YORK CITY BANKS.—The withdrawal of deposits from the local banks which began in the middle of September continued until the middle of October when the movement ceased after a loss of $26,000,000. In the last two weeks, however, there was an increase of $9,000,000. Loans after falling from $579,000,000 on September 18 to $562,000,000 on October 23, increased in the last week of the month more than $5,000,000. Reserves increased during the month $10,000,000, of which more than $9,000,000 was in specie. The surplus reserve increased nearly $9,000,000 and is now nearly $7,000,000 greater than it was at this time in either 1896 or 1895. Both loans and deposits are larger than they ever were before at this season of the year, loans being $121,000,000 more than a year ago and deposits $179,000,000 greater.

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	Specie.	Legal tenders.	Deposits.	Surplus Reserve.	Circulation.	Clearings.
Oct. 2...	$571,993,400	$92,365,100	$78,023,600	$619,353,200	$15,550,400	$15,790,400	$811,826,000
" 9...	571,731,100	93,948,500	73,721,300	616,737,200	13,485,500	15,820,200	771,364,100
" 16...	569,117,000	94,886,700	73,747,700	616,079,600	14,614,500	15,866,700	799,310,900
" 23...	562,175,400	100,756,300	76,514,700	617,465,200	22,904,700	15,970,900	764,598,100
" 30...	567,200,500	101,611,300	78,995,300	625,339,200	24,271,800	16,071,300	680,229,900

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1895.		1896.		1897.	
	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.	Deposits.	Surplus Reserve.
January	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,286,950
February......	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March.........	528,440,800	28,054,500	489,612,200	24,442,150	573,769,300	57,520,975
April..........	504,240,200	13,413,450	481,795,700	17,005,975	569,226,500	47,666,575
May...........	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June..........	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July..........	570,436,300	34,225,925	499,046,900	20,328,275	604,983,700	41,384,875
August........	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September....	574,929,900	39,149,925	451,934,800	8,836,200	636,996,000	39,517,700
October.......	549,136,500	22,296,175	454,733,100	16,526,025	619,353,200	15,550,400
November	529,862,400	17,594,400	446,445,900	17,463,225	625,339,000	24,271,800
December.....	520,788,000	18,613,300	490,634,300	31,411,625		

Deposits reached the highest amount, $642,149,900 on September 11, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following tables:

BOSTON BANKS.

Dates.	Loans.	Deposits.	Specie.	Legal Tenders.	Circulation.	Clearings.
Oct. 2........	$182,847,000	$179,316,000	$10,809,000	$8,273,000	$7,597,000	$115,641,305
" 9........	181,419,000	179,497,000	10,707,000	9,282,000	7,362,000	113,083,400
" 16........	181,010,000	181,166,000	10,776,000	9,047,600	7,200,000	108,305,100
" 23........	181,208,000	179,995,000	10,022,000	8,652,000	7,186,000	105,963,100
" 30........	181,739,000	180,311,000	11,024,000	8,536,000	7,160,000	98,083,800

PHILADELPHIA BANKS.

Dates.	Loans.	Deposits.	Lawful Money Reserve.	Circulation.	Clearings.
Oct. 2....................	$117,432,000	$125,477,000	$37,273,000	$6,920,000	$66,172,000
" 9....................	118,409,000	125,397,000	36,760,000	6,951,000	73,966,200
" 16....................	119,343,000	126,543,000	36,306,000	6,868,000	70,738,700
" 23....................	119,634,000	125,729,000	36,186,000	6,789,000	68,368,000
" 30....................	119,814,000	127,753,000	36,985,000	6,717,000	63,454,500

Government Revenues and Disbursements.

For the fourth consecutive month the receipts of the Government have been less than the expenditures, the deficit for October being more than $9,300,000 making since July 1 a deficit of $38,338,000. In the same period last year there was a deficit of nearly $33,000,000. The receipts in October were $3,000,000 more than in September, nearly $2,000,000 of the gain being in customs, but the latter were $1,400,000 less than in October last year, the total receipts being about $2,000,000 less than a year ago. The expenditures were $9,000,000 more than in September but $265,000 less than in October last year.

United States Treasury Receipts and Expenditures.

Receipts. Source.	October, 1897.	Since July 1, 1897.	Expenditures. Source.	October, 1897.	Since July 1, 1897.
Customs	$9,718,494	$41,611,099	Civil and mis	$8,780,000	$36,556,516
Internal revenue	13,614,873	57,277,875	War	5,251,000	25,886,684
Miscellaneous	1,061,980	5,543,190	Navy	2,988,000	11,446,754
			Indians	599,000	3,068,692
			Pensions	10,885,000	50,627,883
Total	$24,390,347	$104,432,164	Interest	5,210,000	15,184,348
Excess of expenditures	$9,322,653	$38,338,608	Total	$33,713,000	$142,770,772

United States Treasury Cash Resources.

	July 30.	Aug. 31.	Sept. 30.	Oct. 31.
Net gold	$143,926,401	$144,206,276	$147,621,963	$153,551,811
Net silver	33,538,187	23,759,676	14,156,727	15,578,965
U. S. notes	29,175,995	28,169,836	41,408,141	39,875,497
Miscellaneous assets (less current liabilities)	14,879,403	8,158,150	*4,983,131	*15,097,480
Deposits in National banks	16,991,618	17,116,471	17,393,278	17,638,555
Available cash balance	$238,511,604	$221,410,411	$215,587,978	$211,547,369

* Excess of liabilities.

United States Government Receipts and Expenditures and Net Gold in the Treasury.

Month.	1896. Receipts.	1896. Expenditures.	1896. Net Gold in Treasury.	1897. Receipts.	1897. Expenditures.	1897. Net Gold in Treasury.
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,389	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	36,584,708	22,934,694	140,790,738
July	29,029,209	42,088,468	110,718,746	39,027,364	50,100,909	140,817,699
August	25,562,097	35,701,676	100,957,561	19,023,615	33,588,047	144,216,377
September	24,584,244	26,579,535	124,034,672	21,933,098	25,368,815	147,663,105
October	26,282,829	33,978,277	117,126,523	24,390,347	33,713,000	*153,551,811
November	25,210,696	33,260,720	131,510,352			
December	25,857,114	23,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

Money in Circulation.—The volume of circulation was further increased last month $27,892,366, making an increase since November 1, 1896, of nearly $180,000,000, or an average of $2.50 per capita, the circulation per capita now being $23.23. On August 1 last it was only $22.53. The gold coin in circulation increased last month $11,175,000; silver dollars, $3,051,000; subsidiary silver, $2,256,000; Treasury notes, $11,943,000 and United States notes, $7,201,000. The decreases were in gold certificates, $84,450; silver certificates, $1,781,000; currency certificates, $4,540,000 and National bank notes, $1,329,000.

Money in Circulation in the United States.

	Jan. 1, 1897	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$517,743,239	$521,848,563	$528,098,753	$539,278,953
Silver dollars	58,581,819	53,085,664	57,145,770	60,196,778
Subsidiary silver	62,101,986	58,936,292	61,176,415	63,432,929
Gold certificates	37,887,439	37,017,789	36,898,559	36,814,109
Silver certificates	356,655,800	367,863,337	374,620,299	372,838,919
Treasury notes, Act July 14, 1890	84,171,221	83,145,312	89,816,063	101,759,955
United States notes	261,367,758	254,432,314	251,795,544	258,996,998
Currency certificates, Act June 8, 1872	50,330,000	68,275,000	52,825,000	48,285,000
National bank notes	221,384,148	226,075,827	226,464,135	225,184,263
Total	$1,650,223,400	1,665,680,098	$1,678,840,538	$1,706,732,904
Population of United States	72,159,000	73,199,000	73,330,000	73,461,000
Circulation per capita	$22.87	$22.76	$22.89	$23.23

National Bank Circulation.—A small decrease, $146,265, is reported in National bank notes outstanding for the month, but there was a decrease in circulation based on Government bonds of $1,146,240 and an increase in deposits to retire circulation of $999,975. There were $1,606,000 of Government bonds withdrawn as security for circulation, the largest amount for any single month in some time.

National Bank Circulation.

	July 31, 1897.	*Aug. 31, 1897.*	*Sept. 30, 1897.*	*Oct. 31, 1897.*
Total amount outstanding	$230,758,936	$230,508,524	$230,725,491	$230,047,635
Circulation based on U. S. bonds	206,498,956	205,755,976	205,604,781	203,926,950
Circulation secured by lawful money	24,259,980	24,752,548	25,120,710	26,120,685
U. S. bonds to secure circulation:				
Four per cents. of 1895	32,781,050	31,933,150	31,568,150	30,474,150
Pacific RR. bonds, 6 per cent	8,787,000	8,955,000	9,556,000	9,080,000
Funded loan of 1891, 2 per cent	22,271,150	15,846,650	22,159,150	22,089,650
" " 1907, 4 per cent	150,543,750	150,490,650	150,194,600	150,288,100
Five per cents. of 1894	15,728,350	22,245,650	15,870,650	15,910,650
Total	$230,111,300	$229,471,100	$229,348,550	$227,742,550

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $2,530,000; Pacific Railroad 6 per cents., $375,000; 2 per cents of 1891, $1,240,500; 4 per cents of 1907, $12,545,000; 5 per cents. of 1894, $385,000, a total of $17,075,500.

The circulation of National gold banks, not included in the above statement, is $84,640.

Money in the United States Treasury.—The Treasury last month lost more than $4,000,000 in the aggregate cash held and nearly $10,000,000 in the net cash balance. It gained nearly $6,000,000 gold, lost nearly $3,000,000 silver dollars and bullion, $1,500,000 subsidiary silver, and $7,000,000 United States notes. Its holdings of National bank notes increased nearly $1,200,000. Since August the net cash in the Treasury has decreased nearly $28,000,000.

Money in the United States Treasury.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$120,638,598	$150,003,810	$154,338,370	$153,417,732
Gold bullion	54,565,385	31,230,355	30,223,294	36,969,525
Silver Dollars	384,584,572	398,908,078	394,948,022	392,517,014
Silver bullion	110,815,247	105,125,123	105,078,550	104,853,852
Subsidiary silver	14,215,766	15,385,285	13,455,175	11,981,078
United States notes	85,318,258	92,248,702	94,885,472	87,684,018
National bank notes	14,278,970	4,517,847	3,814,835	4,998,012
Total	$784,411,796	$797,369,200	$796,743,718	$792,421,231
Certificates and Treasury notes, 1890, outstanding	529,044,460	551,301,438	554,159,921	559,697,983
Net cash in Treasury	$255,367,336	$246,067,762	$242,583,797	$232,723,248

THE SUPPLY OF MONEY IN THE COUNTRY.—The total stock of money is now increasing very rapidly, last month there being an increase of $18,000,000, making an increase of $32,000,000 in the last three months. The increase naturally is almost exclusively in gold the only other source of increase now being from the coinage of silver bullion in the Treasury into silver dollars. The gold coin and bullion increased last month $17,000,000 and since August 1, $32,000,000. Since January 1, the increase amounts to $46,000,000.

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Gold coin	$638,381,827	$671,852,373	$682,437,123	$692,691,685
Gold bullion	54,565,385	31,230,355	30,223,294	36,969,525
Silver dollars	443,166,391	451,993,742	452,038,792	452,718,792
Silver bullion	110,815,247	105,125,123	105,078,550	104,853,852
Subsidiary silver	76,317,752	74,271,577	74,631,590	75,414,007
United States notes	346,681,016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	230,593,674	230,278,970	230,132,275
Total	$1,905,590,736	$1,911,747,860	$1,921,424,335	$1,939,456,152

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

UNITED STATES PUBLIC DEBT.—The only important feature of the public debt statement for November 1 is the increase in the net debt less cash in the Treasury of nearly $8,500,000 for the past month. This is brought about by a decrease in the net assets of the Treasury without any increase in the principal of the debt excepting $1,000,000 in the National bank note redemption account. The net debt has increased from about $993,000,000 to $1,020,000,000 in the past three months. The net cash balance in the Treasury has fallen from $233,000,000 on August 1 and $215,000,000 on October 1 to less than $208,000,000 on November 1.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*Sept. 1, 1897.*	*Oct. 1, 1897.*	*Nov. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,641,200	559,641,200	559,641,300
Refunding certificates, 4 per cent	45,890	44,440	44,440	44,360
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,540	$847,365,540	$847,365,560
Debt on which interest has ceased	1,383,070	1,336,280	1,334,570	1,381,540
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,368
National bank note redemption acct.	18,876,333	24,571,442	24,992,324	26,000,524
Fractional currency	6,890,504	6,887,702	6,887,702	6,887,703
Total non-interest bearing debt	$372,502,201	$378,194,507	$378,615,390	$379,623,590
Total interest and non-interest debt.	1,221,249,961	1,226,896,327	1,227,315,500	1,228,320,690
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,527,169	38,434,169	38,348,169
Silver "	370,883,504	379,112,504	385,152,504	384,170,504
Certificates of deposit	50,830,000	63,650,000	54,150,000	48,625,000
Treasury notes of 1890	119,816,280	112,672,280	111,334,280	109,313,280
Total certificates and notes	$580,809,573	$593,691,953	$589,070,953	$580,456,953
Aggregate debt	1,802,059,534	1,820,858,280	1,816,386,453	1,808,777,643
Cash in the Treasury:				
Total cash assets	853,463,551	858,145,367	850,368,631	831,669,957
Demand liabilities	625,143,172	639,584,161	635,175,844	623,918,858
Balance	$228,320,379	$218,561,206	$215,192,787	$207,756,099
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	118,561,206	115,192,787	107,756,099
Total	$228,320,379	$218,561,206	$215,192,787	$207,756,069
Total debt, less cash in the Treasury.	982,929,582	1,008,335,121	1,012,122,713	1,020,564,591

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of October, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	Year 1896.		Highest and Lowest in 1897.		October, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	17 —Sept. 18	9⅛—Apr. 19	16	13	13⅛
" preferred	28⅛	14⅛	35½—Sept. 8	17 —Apr. 19	33¼	27½	29½
Atlantic & Pacific	1	⅝	1½—Aug. 12	⅛—Apr. 7	....	....	....
Baltimore & Ohio	44	10⅛	21⅛—Sept. 20	9 —July 10	17⅝	13¼	14
Bay State Gas	33	7	16¾—Aug. 31	3⅞—Oct. 27	9¼	3⅞	4⅛
Brooklyn Rapid Transit	25⅛	18	37 —Sept. 13	18⅝—Jan. 7	35	29½	34
Canadian Pacific	62¾	52	81¾—Oct. 14	46½—Mar. 29	81¾	78½	79½
Canada Southern	51¾	40¾	62⅛—Sept. 16	44⅛—Jan. 13	58½	54	55¼
Central of New Jersey	110	87½	103¼—Jan. 19	68¼—May 24	98¼	90½	92⅞
Central Pacific	16⅛	13⅛	18 —Sept. 28	7⅛—Apr. 20	17⅞	14	14
Ches. & Ohio vtg. ctfs	18⅛	11	27⅛—Aug. 30	15⅝—Mar. 29	24⅞	20½	22
Chicago & Alton	164	146	170 —Mar. 1	147 —July 22	165	162	162
Chicago, Burl. & Quincy	83¾	53	102¼—Sept. 20	69⅜—Jan. 5	99½	91⅞	95¾
Chicago & E. Illinois	43	37½	61 —Sept. 8	37¼—June 7	55	55	55
" preferred	100½	90	103 —Sept. 14	95 —Feb. 8	100½	96¼	96¼
Chicago Gas	78¾	44⅝	108¾—Sept. 18	73¼—Jan. 5	102	87¼	97
Chic., Milwaukee & St. Paul	80	59⅞	102 —Sept. 15	69¼—Apr. 19	98⅜	91⅞	98½
" preferred	131	117½	146 —Sept. 4	130½—May 6	142	139	139¾
Chicago & Northwestern	106¾	85⅛	132½—Sept. 15	101¾—Apr. 19	127⅞	121⅝	123¾
" preferred	152	140¾	165½—Sept. 22	153 —Jan. 12	164	163	163
Chicago, Rock I. & Pacific	74⅞	49¼	97¼—Sept. 20	60¼—Apr. 19	92½	84⅞	86⅝
Chic., St. Paul, Minn. & Om.	49¾	30⅛	89½—Sept. 16	47 —Jan. 2	83¾	76¼	79½
" preferred	133	117	148 —July 26	133 —Jan. 7	145	140¼	144
Clev., Cin., Chic. & St. Louis	39½	19½	41½—Sept. 15	21½—June 1	39	33¼	35½
" preferred	90½	73	86½—Sept. 8	63 —June 16	85	80	80
Col. Coal & Iron Devel. Co	4⅛	¼	2 —Aug. 13	⅜—July 2	¾	¾	¾
Col. Fuel & Iron Co	34¼	14⅝	27⅞—Sept. 14	15¾—May 11	24¾	21¾	23¼
Col. Hocking Val. & Tol	20½	12½	18 —Jan. 8	1½—Apr. 30	7⅝	6	6
" preferred	60	48	46 —Jan. 21	14 —Aug. 3	18	16	18
Consolidated Gas Co	168	133	241½—Sept. 16	136½—Jan. 2	220	194	197
Delaware & Hud. Canal Co	129⅝	114½	123 —Sept. 18	99⅝—Apr. 1	118¼	112	113
Delaware, Lack. & Western	166	138	164 —Aug. 12	146½—May 20	158½	151	155¾
Denver & Rio Grande	14	10	14¾—Aug. 14	9¼—Apr. 20	13⅛	12	12
" preferred	51	37	50½—Aug. 16	36 —Apr. 20	48¾	44¼	44½
Edison Elec. Illum. Co., N. Y.	101½	89	132½—Sept. 17	101¾—Jan. 2	127	123	123
Erie	17¾	10¼	19 —Sept. 16	11½—Apr. 19	17½	14⅜	15¼
" 1st pref	41¾	27	46⅝—Sept. 16	27 —Apr. 19	42½	35½	36⅞
" 2d pref	25	13	25⅝—Aug. 12	15½—May 24	23¼	19½	19¾
Evansville & Terre Haute	34½	24	34 —Sept. 20	20 —June 8	27	25	26
Express Adams	154	135	165 —Oct. 29	147¼—Feb. 11	165	155⅛	165
" American	116	105	119 —Sept. 23	109½—Jan. 28	119	116	117
" United States	48	35	48 —July 23	37 —Feb. 3	46	40	40
" Wells, Fargo	101	80	112 —Aug. 13	97 —Jan. 2	110½	108	109¾
Great Northern, preferred	122	108¼	141 —Sept. 4	120 —Jan. 16	139¾	139¾	139¾
Illinois Central	98	84⅛	110¾—Aug. 7	91½—Apr. 19	104¾	101	102¼
Iowa Central	10¼	5⅛	13¾—Sept. 4	6 —Apr. 15	9⅞	8⅞	8⅞
" preferred	38	19	41¾—Sept. 4	23 —June 8	36	32	33
Laclede Gas	30	17	49¼—Aug. 31	22 —May 4	46	40½	43
" preferred	86¼	68¼	96 —Aug. 31	70¼—Mar. 23	95	90	93
Lake Erie & Western	22½	12⅛	22½—Sept. 18	13 —July 15	20	17½	17½
" preferred	75	55½	79⅞—Sept. 20	58¼—Apr. 1	77½	74½	75
Lake Shore	156	134¾	181 —Sept. 16	152 —Jan. 2	177	170	170
Long Island	84	40½	55 —Jan. 8	40 —June 10	42	40½	41
Louisville & Nashville	55⅝	37⅛	63⅞—Sept. 3	40⅛—Apr. 19	61¼	54⅜	56⅛
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	½—June 23	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	113 —Sept. 10	81¾—May 7	101¼	97¾	101⅞
Metropolitan Traction	114	79¼	125 —Sept. 3	99⅝—May 3	124½	118	121
Michigan Central	97⅞	89	111⅞—Sept. 16	90 —Jan. 28	108	102	105¾
Minneapolis & St. Louis	21¾	12	31½—Sept. 16	16 —May 14	26¼	25	26
" 1st pref	83	54	90 —Sept. 16	77¾—Mar. 18	87½	84½	84½
" 2d pref	53½	30	62¾—Sept. 16	46 —Feb. 26	59	54	55¾
Missouri, Kan. & Tex	14¾	9⅛	16⅞—Sept. 16	10 —Apr. 19	16	12¾	13¼
" preferred	31⅛	16	42 —Sept. 15	24¾—Apr. 19	40¼	31	32¼

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		OCTOBER, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	40¼—Sept. 7	10 —May 6	35¼	27½	30⅝
Mobile & Ohio	25	14	32 —Aug. 19	18 —June 3	28¼	26	27
N. Y. Cent. & Hudson River	99¾	88	115½—Sept. 16	92½—Feb. 18	111⅜	106½	108¼
N. Y. Chicago & St. Louis	15	9	17⅝—Sept. 3	11 —Feb. 11	15¼	13¼	14
" 1st preferred	80	67½	81½—Sept. 4	67⅝—Apr. 15	78½	75	75
" 2d preferred	35⅝	20	43½—Sept. 20	24 —Feb. 10	38	34½	35½
N. Y., New Haven & Hartf'd.	186	160	186 —Sept. 20	160 —Feb. 2	183	180	181
N. Y., Ontario & Western	16⅝	11⅛	20½—Sept. 16	12¾—Apr. 19	18¾	15⅞	16⅝
N. Y., Sus. & Western	12	6	20 —Sept. 16	6½—May 28	20	16½	17
" preferred	31¼	12	45 —Sept. 17	18¼—May 20	41½	32	32½
Norfolk & Western	12¾	⅛	17¼—Sept. 10	9 —Apr. 19	16⅛	14	14
" preferred	19¾	4⅛	45¾—Sept. 4	17 —Feb. 16	45⅛	41⅜	42½
North American Co	6½	3½	6⅛—Aug. 13	3⅝—Apr. 20	5	4	4⅛
Northern Pacific tr. receipts.	16⅞	¼	21⅞—Sept. 16	11 —Apr. 19	21⅛	17½	18⅞
" pref tr. receipts	36	10	57 —Sept. 16	32⅛—Jan. 5	55⅞	50⅛	52¾
Oregon Railway & Nav	24	10	41 —Sept. 10	10 —Apr. 20	37½	34	37½
" preferred	40¼	35	73½—Sept. 11	37⅞—Jan. 8	69	64	68½
Oregon Short Line	18⅛	8⅛	23¾—Aug. 16	10⅞—Mar. 30	21⅛	18¼	18⅝
Pacific Mail	31	15¼	39¼—Sept. 2	24 —Jan. 9	36½	28¾	30¾
Peoria, Dec. & Evansville	3⅞	1¼	3⅞—Aug. 17	¼—June 2	3⅛	1	1
Pitts., Cin. Chic. & St. Louis	18¼	11	34½—Oct. 20	11½—Mar. 29	34½	26¼	32½
" preferred	50	40⅛	70½—Oct. 20	44½—June 25	70½	63¾	69
Pullman Palace Car Co	164	138	185 —Sept. 16	152 —Jan. 2	178	167½	171¼
Reading Voting Tr. ctfs	....	....	29¼—Sept. 18	16¼—Apr. 19	27¼	22¼	23¼
" 1st prefered	....	....	57¾—Sept. 20	38½—Apr. 19	55½	47⅞	49¾
" 2d preferred	....	....	35⅞—Sept. 20	22½—Apr. 19	33⅞	28¼	29
Rome, Wat. Ogdens' g	118	108	121½—Sept. 28	117 —Jan. 26	120½	120½	120½
St. Louis & San Francisco	5⅝	4	9 —Aug. 12	4 —Apr. 19	7⅝	5⅝	6⅝
" 1st preferred	37	34¼	57¼—Aug. 12	37 —Jan. 29	53½	49¼	51⅞
" 2d preferred	14⅛	12	22¾—Aug. 12	12 —Apr. 15	21¼	19	20¼
St. Louis & Southwestern	5¾	2⅞	7 —Aug. 16	1 —Apr. 1	5½	4½	4½
" preferred	18	6½	14⅝—Sept. 3	3½—Apr. 1	11	9	9¼
St. Paul & Duluth	27½	15	30 —Sept. 10	20 —Jan. 4	20	20	20
" preferred	91	75	87½—Oct. 4	75 —Apr. 20	87½	80½	80½
St. Paul, Minn. & Manitoba	115	105	125 —Aug. 6	114 —Jan. 28	123½	123½	123½
Southern Pacific Co	22¼	14	23½—Sept. 8	13½—Jan. 13	21¼	19	20¼
Southern Railway	11¾	6½	12¼—Sept. 10	7 —Apr. 19	11¼	9¼	9⅝
" preferred	33¼	15½	38⅜—Sept. 10	22⅞—Mar. 19	34½	29⅝	30¾
Tennessee Coal & Iron Co	34¾	18	35⅛—Sept. 9	17 —May 20	32⅛	25⅝	26¾
Texas & Pacific	12	5	15 —Aug. 30	8 —Apr. 1	13⅛	10⅝	11¼
Union Pacific trust receipts	12½	3⅞	27¾—Oct. 20	4½—Apr. 19	27¾	20¼	23½
Union Pac., Denver & Gulf	5½	1⅛	11⅜—Sept. 23	1 —Apr. 24	10⅝	7½	7⅞
Wabash R. R	8	4½	9¾—Sept. 23	4⅝—Mar. 29	8½	7	7⅝
" preferred	19¾	11	24⅝—Sept. 20	11½—Apr. 19	22⅝	18	19
Western Union	90¼	72¾	96¾—Sept. 11	77¼—Apr. 30	91⅞	87¼	88
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	½—June 1	2⅝	1½	1⅜
" preferred	40¼	20⅝	29 —Jan. 5	2⅝—Apr. 15	14½	13½	14
Wisconsin Central	4⅜	1⅜	4⅝—Aug. 12	1 —June 3	3	2½	2⅝
"INDUSTRIAL"	STOCKS:						
American Co. Oil Co	19	8	26⅞—Sept. 2	9¼—May 28	25	20	21½
" preferred	68⅞	37	80½—Sept. 1	52¼—Feb. 16	77½	74	74½
American Spirits Mfg Co	14⅞	4½	15⅞—Aug. 6	9¼—Apr. 28	12⅞	9¼	10½
" preferred	33¼	14¾	36 —Aug. 5	26 —Jan. 5	31½	27½	28
American Sugar Ref. Co	126⅝	95	159½—Sept. 3	109½—Mar. 29	150¼	137	141⅞
" preferred	104	92¼	121½—Sept. 14	100¼—Jan. 7	116¾	118	118
American Tobacco Co	95	51	96⅝—Aug. 9	67½—Feb. 15	90¼	78⅝	83¼
" preferred	106	95	115 —Aug. 6	100 —Feb. 11	113	109½	110
General Electric Co	39½	20	41⅜—Sept. 15	28⅝—May 19	38¼	32½	33¾
National Lead Co	28⅝	16	44 —Sept. 10	21⅞—Feb. 16	40	32½	34½
" preferred	92¾	75	109¾—Sept. 10	88⅝—Feb. 13	105	103½	103¾
National Linseed Oil Co	21¼	11½	23½—Aug. 13	10 —May 17	17⅞	16	17
National Starch Manfg. Co	7¾	4¾	13 —Aug. 31	3 —May 5	8	6	6
Standard Rope & Twine Co	12½	8⅛	11¾—Jan. 19	3½—June 29	6½	4¾	4⅞
U. S. Leather Co	11⅞	5½	10¼—Aug. 23	6¼—May 22	8½	7⅛	7½
" preferred	69⅝	41½	72 —Sept. 1	50½—Apr. 29	67	61¼	63½
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 3	18⅝	16⅛	17¾
" preferred	89	65	76⅞—Jan. 5	50 —July 20	67	63	65

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	OCTOBER SALES. *High.*	OCTOBER SALES. *Low.*	OCTOBER SALES. *Total.*
Ala. Midland 1st gold 6s	1928	2,800,000	M & N	92	Apr. 13,95	....	....	....
Ann Arbor 1st g 4's	1995	7,000,000	Q J	81	Oct. 30,'95	82⅝	80⅛	67,000
Atch., Top. & S. F.								
Atch Top & Santa Fe gen g 4's	1995	109,957,500	A & O	86½	Oct. 30,'97	87¼	85⅝	2,552,500
• registered		....	A & O	....		....	....	....
• adjustment, g. 4's	1995	51,728,000	NOV	58⅛	Oct. 30,'97	60⅝	57¼	4,678,500
• registered		....	NOV	....		....	....	....
• Equip. tr. ser. A. g. 5's	1902	1,250,000	J & J	....		....	....	....
• Chic. & St. L. 1st 6's	1915	1,500,000	M & S	....		....	....	....
Atlan. av. of Brook'n imp. g. 5's	1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's	1950	1,238,000	J & J	96½	Sept. 23,'97	....	....	....
Atlan. & Pac. Western div. inc	1910	10,454,000	A & O	¼	Oct. 29,'97	⅝	¼	29,000
• div. small	1910		A & O	10	Mar. 17,'93	....	....	....
• Central div. inc	1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.),	1919	3,000,000	A & O	107⅛	Oct. 15,'97	107⅛	107	32,000
• 5's, gold	1885-1925	3,021,000	F & A	80	Oct. 9,'97	80½	80	13,000
• coupons off				....		....	....	....
• registered			F & A	83	July 30,'97	....	....	....
• eng. ctfs of deposit		6,979,000	......	82	Sept. 17,'97	....	....	....
B. & O. con. mtge. gold 5's	1988	11,988,000	F & A	90	May 27,'97	....	....	....
• registered			F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd.,	1990	6,000,000	M & N	94	Apr. 26,'97	....	....	....
W. Virginia & Pitts. 1st g. 5's	1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s,	1990	10,667,000	J & J	99	Oct. 8,'97	99	99	2,000
• 1st c. g. 4½'s,	1993	10,511,000	J & J	60	June 9,'97	....	....	....
• 1st inc. g. 5's "A"	2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
• "B"	2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's	1942	1,200,000	M & N	....		....	....	....
Monongahela River 1st g. g., 5's	1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s,	1930	2,500,000	M & S	100	Oct. 22,'97	100	100	1,000
Ak. & Chic. Junc. 1st g. s. g. 5's	1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
• coupons off		....	......	....		....	....	....
Pittsb. & Connellsville 1st g. 4's	1946	2,536,000	J & J	103⅛	Oct. 8,'97	103½	103⅛	23,000
Broadway & 7th av. 1st con. g. 5's,	1943	7,650,000	J&D	120	Oct. 19,'97	120	119⅝	17,000
• registered			J&D	112½	May 29,'95	....	....	....
Brooklyn City 1st con. 5's	1941	4,373,000	J & J	115	Sept. 13,'97	....	....	....
Brooklyn E. Tr. Co. cfs 1st g. 6s's,	1924	3,464,000	......	82½	Oct. 27,'97	83	80	42,000
• Tr. Co. ctfs. 2d g. 5's	1915	1,246,000	......	....		....	....	....
Seas. & B.B.Tr.Co.cfs.1stg.g.5's.	1942	1,357,000	......	76	Sept. 14,'97	....	....	....
UnionEle.Tr.Co.ctfs.1stg.g.6's,	1937	6,124,000	......	82	Oct. 28,'97	84	82	74,000
Brooklyn Rapid Transit g. 5's	1945	5,181,000	A & O	90	Oct. 30,'97	91⅝	87½	858,000
Brunswick & Western 1s g. 4's	1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's	1937	4,407,000	M & S	100	Oct. 29,'97	100	100	21,000
Rochester & Pittsburg. 1st 6's	1921	1,300,000	F & A	126½	Oct. 28,'97	126⅛	125	11,000
• cons. 1st 6's,	1922	3,920,000	J & D	122	Oct. 27,'97	122	121⅛	4,000
Clearfield & Mah. 1st g. g. 5's	1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's,	1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
• registered			A & O	....		....	....	....
Burlington, Cedar R. & N. 1st 5's,	1906	6,500,000	J & D	108¼	Oct. 19,'97	108¼	107¾	30,000
• con. 1st & col. tst 5's	1934	6,425,000	A & O	106	Oct. 30,'97	106½	106	6,000
• registered			A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's. g,	1927	150,000	J & D	140	Aug. 24,'95	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 6's,	1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
• 1st 5's	1921	1,905,000	A & O	102½	Sept. 20,'97	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest price and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	October Sales. High.	October Sales. Low.	October Sales. Total.
Canada Southern 1st int. gtd 5's	1908	13,920,000	J & J	109¾	Oct. 28,'97	110	109⅛	95,000
" 2d mortg. 5's	1913	5,100,000	M & S	106⅛	Oct. 30,'97	107	106	20,000
" registered			M & S	106⅛	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	92½	Oct. 29,'97	92⅛	92	7,000
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	115⅝	Oct. 21,'97	115⅝	115⅝	20,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,500,600	M & N	93½	Oct. 29,'97	94	93	65,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	40⅛	Oct. 28,'97	45	40⅛	187,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	13	Oct. 29,'97	16	12½	125,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	8	Oct. 28,'97	9¾	8	30,000
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	95½	July 15,'97	....	....	....
" Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	....		....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	104⅝	Oct. 13,'97	104⅝	104⅝	7,000
" convertible 7's	1902	1,167,000	M & N	113¼	June 19,'97	....	....	....
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	113	Oct. 29,'97	113¼	112½	132,000
" registered			Q J	111	Oct. 30,'97	111	109⅞	18,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	101	Oct. 29,'97	101⅛	100	56,000
" mortgage 5's	1912	2,887,000	M & N	85	Oct. 22,'97	85	84½	4,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	114¼	Sept. 3,'97	....	....	....
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	102½	Oct. 30,'97	102½	101⅞	80,000
" ext g 5s series A B C D	1898	....	J & J	102	Oct. 28,'97	102	101¼	46,000
" Speyer & Co. cfs. dep. A	1898	5,598,000	......	....		....	....	....
" " B C D	1899	....	......	....		....	....	....
" ext g 5's series E	1898	....	J & J	....		....	....	....
" Speyer & Co. cfs. dep. E	1900	3,210,000	......	....		....	....	....
" " F G H I	1901	....	......	....		....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	....	....	....
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	96½	May 3,'97	....	....	....
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	102	Oct. 27,'97	103	101½	13,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	101	Aug. 5,'95	....	....	....
" 50 year m. gg. 5's	1938	4,800,000	A & O	89½	Oct. 28,'97	89½	88	111,000
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	54	Apr. 21,'96	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	....	....	....
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	102½	Aug. 13,'97	....	....	....
" 6's, g., Series A	1908	2,000,000	A & O	110½	Oct. 7,'97	116½	116½	1,000
" Mortgage gold 6's	1911	2,000,000	A & O	118	Oct. 20,'97	118	118	2,000
" 1st con. g. 5's	1939	23,571,000	M & N	112¾	Oct. 29,'97	113	111½	184,000
" registered			M & N	109½	Sept. 17,'97	....	....	....
" Gen. m. g. 4½'s	1992	21,804,000	M & S	80	Oct. 30,'97	80½	79	465,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	100½	Oct. 25,'97	102⅛	100⅛	25,000
" 2d con. g. 4's	1989	1,000,000	J & J	91	Oct. 11,'97	92	91	9,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	97½	Oct. 6,'97	97½	97½	6,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	100¼	Oct. 27,'97	103½	100¼	29,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	113½	Sept. 28,'97	....	....	....
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	109⅛	Oct. 8,'97	109⅛	109⅛	5,000
" 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago Burl. & North. 1st 5's	1926	8,241,000	A & O	106	Sept. 28,'97	....	....	....
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	117	Oct. 28,'97	117	116¾	48,000
" 5's, sinking fund	1901	2,315,000	A & O	103	Oct. 5,'97	103	103	6,000
" 5's, debentures	1913	9,000,000	M & N	105	Oct. 30,'97	105	103	181,000
" convertible 5's	1903	15,263,900	M & S	107	Oct. 27,'97	108	106½	48,000
" (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	....	....	....
" 4's	1919	9,071,000	A & O	99½	Oct. 8,'97	99½	99½	1,000
" Denver div. 4's	1922	6,141,000	F & A	98	Oct. 27,'97	99	97½	20,000
" 4's	1921	3,800,000	M & S	88¾	Nov. 6,'96	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's paid.	Last Sale. Price.	Last Sale. Date.	October Sales. High.	October Sales. Low.	October Sales. Total.
" Nebraska extensi'n 4's,	1927	26,411,000	M & N	95¾	Oct. 30,'97	95¾	94¼	247,000
" registered			M & N	91	July 10,'97	....	....	....
" Han. & St. Jos. con. 6's,	1911	8,000,000	M & S	120⅝	Oct. 27,'97	120⅝	118½	27,000
Chicago & E. Ill. 1st s. f'd c'y. 6's.	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
" small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	128	Sept. 29,'97	....	....	....
" gen. con. 1st 5's	1937	9,767,000	M & N	103	Oct. 29,'97	103	102	97,000
" registered			M & N	99½	May 14,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	101½	Oct. 20,'97	101½	101½	2,000
Chicago, Indianapolis & Louisville.								
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	114½	Oct. 21,'97	114½	113	30,000
Chic. Ind. & Louisv. ref. g. 6's	1947	3,509,000	J & J	95½	Oct. 26,'97	96	95	24,000
" refunding g. 5's	1947	2,717,000	J & J	83	Sept. 21,'97	....	....	....
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	1,671,000	F & A	102½	Oct. 6,'97	102½	102½	20,000
" 2d 7 3-10 P. D.	1898	513,000	F & A	140	Oct. 21,'97	140½	139	24,000
" 1st 7's $ gold, R. div.	1902	3,477,000	J&J	140	Oct. 21,'97	140	140	1,000
" 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
" 1st m. Iowa & D. 7's	1899	417,000	J & J	139⅝	Oct. 16,'97	139⅝	139⅝	5,000
" 1st m. C. & M. 7's	1903	2,348,000	J & J	139¾	Oct. 27,'97	139¾	139½	60,000
Chicago Mil. & St. Paul con. 7's,	1905	11,172,000	J & J	139¼	Oct. 29,'97	140¼	139	10,000
" 1st 7's, Iowa & D. ex,	1908	3,436,000	J & J	140	Oct. 25,'97	140	140	5,000
" 1st 6's, Southw'n div.,	1909	4,000,000	J & J	118	Sept. 9,'97	....	....	....
" 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	114¼	Sept. 15,'97	....	....	....
" 1st So. Min. div. 6's	1910	7,432,000	J & J	119¼	Oct. 21,'97	119¼	118	6,000
" 1st H'st & Dk. div. 7's,	1910	5,680,000	J & J	129½	Oct. 20,'97	129½	128¾	31,000
" 5's	1910	990,000	J & J	109	Oct. 5,'97	109	109	1,000
" Chic. & Pac. div. 6's,	1910	3,000,000	J & J	119	Oct. 15,'97	119	119	10,000
" 1st Chic. & P. W. 5's,	1921	25,340,000	J & J	115½	Oct. 30,'97	115½	115	67,000
" Chic. & M. R. div. 5's,	1926	3,083,000	J & J	113	Oct. 27,'97	113	112	22,000
" Mineral Point div. 5's,	1910	2,840,000	J & J	109½	Oct. 28,'97	109½	109½	1,000
" Chic. & Lake Sup. 5's,	1921	1,360,000	J & J	113	Aug. 4,'97	....	....	....
" Wis. & Min. div. 5's	1921	4,755,000	J & J	113	Sept. 23,'97	....	....	....
" terminal 5's	1914	4,748,000	J & J	114	Oct. 27,'97	114	113	46,000
" Far. & So. 6's assu.	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
" cont. si'k. f'd 5's	1916	1,368,000	J & J	106½	July 9,'97	....	....	....
" Dakota & Gt. S. 5's	1916	2,856,000	J & J	111½	Oct. 8,'97	112	110¾	4,000
" g. m. g. 4's, series A	1989	21,117,000	J & J	104	Oct. 30,'97	104	102¾	183,000
" registered		....	Q J	94½	Dec. 11,'95	....	....	....
" Mil. & N. 1st M. L. 6's,	1910	2,155,000	J & D	121	Oct. 21,'97	121	120	17,000
" 1st convt. 6's	1913	5,092,000	J & D	120	Sept. 10,'97	....	....	....
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	144½	Oct. 29,'97	146	143	17,000
" coupon gold 7's	1902	12,336,000	J & D	118½	Oct. 20,'97	118½	117½	25,500
" registered d. gold 7's	1902		J & D	118½	Oct. 13,'97	118½	118½	30,000
" sinking fund 6's	1879-1929	5,591,000	A & O	115	Oct. 27,'97	117½	115	6,000
" registered			A & O	117½	July 13,'97	....	....	....
" 5's	1879-1929	7,237,000	A & O	110¼	Oct. 29,'97	111	110	19,000
" registered			A & O	108½	Oct. 29,'97	108½	108½	2,000
" debenture 5's	1933	9,800,000	M & N	117	Oct. 1,'97	117	117	5,000
" registered			M & N	112½	May 7,'97	....	....	....
" 25 year deben. 5's	1909	6,000,000	M & N	110	Oct. 26,'97	110	109¾	42,000
" registered			M & N	108¾	July 13,'97	....	....	....
" 30 year deben. 5's	1921	9,800,000	A & O	113	Oct. 19,'97	113¾	113	11,000
" registered			A & O	107	Nov. 20,'95	....	....	....
" extension 4's	1886-1926	18,632,000	F A 15	104½	Oct. 28,'97	104¾	104½	15,000
" registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	103½	Sept. 27,'97	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	109	Oct. 4,'97	109	109	4,000
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Sept. 30,'97	....	....	....
Mil., Lake Shore & We'n 1st 6's,	1921	5,000,000	M & N	137	Oct. 28,'97	137	137	8,000
" con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	...	....	....
" ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	116	Sept. 24,'97	....	....	....
" Michigan div. 1st 6's	1924	1,281,000	J & J	131½	Aug. 30,'97	....	....	....
" Ashland div. 1st 6's	1925	1,000,000	M & S	134	July 22,'97	....	....	....
" income		500,000	M & N	110¼	July 2,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	133	Oct. 30,'97	133	132	4,000
" 6's registered	1917		J & J	130¾	Apr. 30,'97	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	October Sales. High.	October Sales. Low.	October Sales. Total.
" exten. and collat. 5's	1934	40,381,000	J & J	106	Oct. 30,'97	106	105⅝	296,000
" registered			J & J	105½	Aug. 23,'97	....	....	....
" debenture 5's	1921	4,500,000	M & S	102	Oct. 29,'97	103	102	33,000
" registered		....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's	1905	1,200,000	J & J	85	Oct. 29,'97	85	85	2,000
" 1st 2½'s	1905	1,200,000	J & J	70	Sept. 23,'97	....	....	....
" extension 4 s		672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's	1923	2,750,000	A & O	102½	Oct. 14,'97	104½	102½	21,000
" small bond	1923	....	A & O	100	Apr. 15,'97	....	....	....
Chic., St.P., Minn. & Oma. con. 6's	1930	13,413,000	J & D	133	Oct. 19,'97	133	133	5,000
Chic., St. Paul & Minn. 1st 6's	1918	3,000,000	M & N	131	Oct. 19,'97	132	131	10,500
North Wisconsin 1st mort. 6's	1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's	1919	6,070,000	A & O	131	Sept. 23,'97	....	....	....
Chic., Term. Tr U.S. TrCo. cfs. of prop		28,667,000	......	45¼	Oct. 29,'97	46⅞	43¾	440,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's	1919	1,062,000	M & N	106	June 22,'97	....	....	....
" gen'l mortg. g. 6's	1932	9,652,666	Q M	119½	Oct. 28,'97	119½	118	12,000
Chic. & West Michigan R'y 5's	1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
" coupons off		....	......	....	....	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's	1905	996,000	A & O	119	Oct. 26,'96	119	119	3,000
" 2d g. 4½'s	1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's	1941	3,500,000	M & N	112	Oct. 6,'97	112	111	4,000
City Sub. R'y, Balto. 1st g. 5's	1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's	1930	730,000	F & A	....	....	....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.	1917	2,000,000	......	70	Oct. 8,'97	70	70	11,000
Clev., Cin., Chic. & St.L. gen. m. 4's	1993	7,574,000	J & D	84	Oct. 14,'95	84	84	1,000
" do Cairo div. 1st g. 4's	1939	5,000,000	J & J	90	Sept. 23,'97	....	....	....
St. Louis div. 1st col. trust g. 4's	1990	9,750,000	M & N	95½	Oct. 29,'97	96¼	95½	31,000
" registered				90	June 10,'96	....	....	....
Sp'gfield & Col. div. 1st g. 4's	1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's	1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's	1991	4,000,000	J & J	89	Oct. 2),'97	89	89	3,000
Cin., Ind., St. L. & Chic. 1st g. 4's	1936	7,685,000	Q F	102	Oct. 30,'97	102	101	4,000
" registered				95	Nov. 15,'94	....	....	....
" con. 6's	1920	738,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's	1928	2,571,000	J & J	114	Oct. 7,'97	114	112	3,000
Ind. Bloom. & W., 1st pfd. 7's	1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's	1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's	1940	8,103,000	A & O	78	Oct. 22,'97	78	75½	2,000
" income 4's	1990	4,000,000	A	21	Aug. 26,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd	1899	3,000,000	M & N	107¼	Oct. 6,'97	107¼	107¼	9,000
" consol mortg. 7's	1914	3,991,000	J & D	135	Oct. 26,'97	135	135	3,000
" sink. fund 7's	1914		J & D	119⅝	Nov. 19,'89	....	....	....
" gen. consol 6's	1934	3,205,000	J & J	127¾	May 14,'97	....	....	....
" registered			J & J	....	....	....	....	....
Cin., Sp. 1st m. C., C., C. & Ind. 7's	1901	1,000,000	A & O	107½	Oct. 16,'97	107½	107½	2,000
Clev., Lorain & Wheel'g con. 1st 5's	1933	4,300,000	A & O	103	Aug. 27,'97	....	....	....
Clev., & Mahoning Val. gold 5's	1938	2,936,000	J & J	108	Apr. 14,'97	....	....	....
" registered			Q J	....	....	....	....	....
Coeur d'Alene 1st g. 6's	1916	360,000	M & S	104	May 5,'92	....	....	....
" gen. 1st g. 6's	1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col. Midld Tr.Co. ctfs. 1st g. 6's asst.	1936	5,615,000	J & D	62⅛	Oct. 28,'97	64⅛	62⅛	27,000
" Tr.Co. cfs. cn. g. 4's stm gtd.	1940	988,000	F & A	10½	Oct. 14,'97	11½	10½	31,000
" " assented 2d inst. pd.		3,900,000	......	15½	Oct. 19,'97	15½	15½	5,000
Col'bus & Ninth Av. 1st gtd g. 5's	1993	3,000,000	M&S	118⅞	Oct. 26,'97	119½	117½	18,000
" registered			M&S	....	....	....	....	....
Col., Hock. Val. & Tol. con. g. 5's	1931	406,000	M & S	74	Aug. 10,'97	....	....	....
" J. P. M. & Co. eng ctf. $45 pd.		7,694,000	......	74	Oct. 27,'97	75	73	46,000
" gen. mort. g. 6's	1904	2,000,000	J & D	59	Aug. 30,'97	....	....	....
" gen. lien g. 4's	1996	852,000	J & J	....	....	....	....	....
" registered, $5,000			J & J	....	....	....	....	....
Conn., Passumpsic Riv's 1st g. 4's	1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's	1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's	1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's	1914	5,000,000	M & N	145	Sept. 9,'97	....	....	....
" bonds, 7's	1900	281,000	J & J	111½	Oct. 4,'97	111½	111½	2,000
" 7's	1871-1901	4,991,000	A & O	111½	Oct. 7,'97	111½	111½	2,000
" 1st c. gtd 7's	1915	12,151,000	J & D	143	Oct. 11,'97	143½	143¼	7,000
" registered			J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's	1921	12,000,000	J & J	138½	Oct. 12,'97	138½	138½	1,000
" const. 5's	1923	5,000,000	F & A	116	Sept. 21,'97	....	....	....
Warren 2d 7's	1900	750,000	A & O	113¼	Nov. 6,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	OCTOBER SALES. *High.*	OCTOBER SALES. *Low.*	OCTOBER SALES. *Total.*
Delaware & Hudson Canal.								
• 1st Penn. Div. c. 7's	1917	5,000,000	M & S	147⅛	Aug. 31,'97	....	....	....
• reg	1917		M & S	143	May 4,'96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	124⅛	Sept. 22,'97	....	....	....
• registered			A & O	128⅛	Feb. 12,'94	....	....	....
• 6's	1906	7,000,000	A & O	116¼	Oct. 9,'97	116¼	115⅛	87,000
• registered			A & O	116½	Mar. 22,'97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	148¾	Aug. 18,'97	....	....	....
• 1st r 7's	1921		M & N	146	Dec. 9,'96	....	....	....
Denver Con. T'way Co. 1st g. 5's	1933	780,000	A & O	....	....	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	88⅛	Oct. 30,'97	89¾	88⅛	66,000
• 1st mortg. g. 7's	1900	6,382,500	M & N	111½	Oct. 28,'97	111½	111	48,000
• impt. m. g. 5's	1928	8,103,500	J & D	87	Oct. 9,'97	87	87	1,000
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,024,000	A & O	18⅛	Oct. 20,'97	19⅞	18⅛	26,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24,'95	....	....	....
• g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	103⅝	Oct. 16,'97	103¾	102⅛	71,000
• registered			A & O	101½	July 23,'89	....	....	....
• 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	103⅛	Oct. 29,'97	103⅛	103	4,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	113	Oct. 16,'97	113	111⅛	89,000
• 2d extended 5's	1919	2,149,000	M & N	119	Oct. 5,'97	119	119	6,000
• 3d extended 4½'s	1923	4,618,000	M & S	112¼	Oct. 5,'97	112¼	112¼	1,000
• 4th extended 5's	1920	2,926,000	A & O	120½	Oct. 29,'97	120½	119	14,000
• 5th extended 4's	1928	709,500	J & D	105¾	Oct. 29,'96	105¾	104	12,000
• 1st cons gold 7's	1920	16,890,000	M & S	142⅝	Oct. 25,'97	143	142	30,000
• 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8,'94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	Aug. 17,'97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	141	Sept. 10,'97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
• small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	104	Oct. 25,'97	104½	104	5,000
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	112	Oct. 25,'97	112	111	22,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31,'96	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	105½	Oct. 2,'97	105½	105½	3,000
• small								
Erie R.R. 1st con. g-4s prior bds.	1996	30,000,000	J&J	91⅛	Oct. 29,'97	92	90	469,000
• • registered			J&J	....	....	....	....	....
• • gen. lien 3-4s	1996	30,927,000	J&J	70	Oct. 30,'97	72	70	145,000
• • registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g.	1933	500,000	F & A	52	Feb. 10,'97	....	....	....
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	110	Sept. 14,'97	....	....	....
• 1st General g 5's	1942	2,223,000	A & O	95	Sept. 14,'94	....	....	....
• Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10,'93	....	....	....
• Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15,'91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	112	Oct. 13,'97	112	111½	5,000
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	110⅞	Oct. 30,'97	111	110⅞	30,000
• 1st con. gold 5's	1939	2,100,000	M & N	90½	Oct. 23,'97	90½	89½	34,000
• Port Huron d 1st g 5's	1939	3,083,000	A & O	86	Sept. 29,'97	....	....	....
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14,'96	....	....	....
• 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
• 1st con. g 5's	1943	4,370,000	J & J	80½	May 14,'96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105¾	July 31,'97	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	70	Oct. 23,'97	73	67	80,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	58½	Oct. 29,'97	58½	58½	10,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	106	Sept. 25,'97	....	....	....
• 2d mortgage 7's	1905	1,000,000	J & D	100	Oct. 15,'97	100	100	1,000
• Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	93	Oct. 29,'97	93	92	132,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,250,000	A & O	103	Aug. 11,'97	....	....	....
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	June 23,'97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6,'97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15,'94	....	....	....
Houston & Texas Central R. R.								
• 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29,'92	....	....	....
• 1st g. 5's (int. gtd)	1937	7,381,000	J & J	111¾	Oct. 29,'97	111¾	110	11,000
• Con. g. 6's (int. gtd)	1912	3,455,000	A & O	105	June 29,'97	....	....	....
• Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	77	Oct. 30,'97	77	73½	148,000

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	OCTOBER SALES. *High.*	OCTOBER SALES. *Low.*	*Total.*
Illinois Central 1st g. 4's	1951	1,500,000	J&J	110	July 19,'97	....	....	....
" registered			J&J	112⅛	July 13,'97	....	....	....
" gold 3½'s	1951	2,499,000	J&J	104	June 4,'96	....	....	....
" registered			J&J	97	Dec. 17,'95	....	....	....
" gold 4's	1952	15,000,000	A & O	102	Oct. 22,'97	103	102	22,000
" gold 4's regist'd			A & O	102¼	Aug.25,'96	....	....	....
" gold 4's	1953	24,679,000	M & N	101⅛	Oct. 22,'97	101⅛	100¾	19,000
" gold 4's registered			M & N	....		....	....	....
" 2-10 g. 4's	1904	4,806,000	J & J	99	Sept.29,'97	....	....	....
" 2-10 g. 4's registered			J & J	....		....	....	....
" 1st g 3s sterl. £500,000	1951	2,500,000	M & S	92½	July 13,'96	....	....	....
" registered			M & S	....		....	....	....
" West'n Line 1st g. 4's,	1951	3,550,000	F & A	102⅛	Oct. 30,'97	104	102	43,000
" registered			F & A	....		....	....	....
" Cairo Bridge 4's g	1950	3,000,000	J & D	101⅛	Sept. 10,'95	....	....	....
" registered				....		....	....	....
Springfield div. coupon 6's	1898	1,600,000	J & J	101¼	July 9,'97	....	....	....
Middle div. registered 5's	1921	600,000	F & A	116½	Aug.16,'95	....	....	....
Chic., St. L. & N. O. T. lien 7's	1897	539,000	M & N	102½	July 1,'97	....	....	....
" 1st consol. 7's	1897	826,000	M & N	103	Oct. 7,'97	103	103	5,000
" gold 5's	1951	16,526,000	J D 15	122⅜	Oct. 14,'97	122⅜	122¼	11,000
" gold 5's, registered			J D 15	118¼	Apr. 1,'97	....	....	....
" Memph. div. 1st g. 4's,	1951	3,500,000	J & D	103⅜	July 28,'97	....	....	....
" registered			J & D	....		....	....	....
Bellev. & So. Ill. gtd g. 4½'s	1897	998,000	A & O	100	Dec. 9,'96	....	....	....
Ind., Dec. & West. 1st g. 5's	1935	1,824,000	J & J	105	Sept. 9,'97	....	....	....
Indiana, Ill. & Iowa 1st g. 4's	1939	800,000	J & D	86½	Oct. 27,'97	86½	86½	1,000
" 1st ext. g. 5's	1943	500,000	M & S	94¼	Nov.21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold	1919	7,954,000	M & N	120	Oct. 18,'97	120	119	3,500
" 2d g. 5's	1909	6,593,000	M & S	84	Oct. 5,'97	84	84	3,000
" 3d g. 4's	1921	2,712,500	M & S	43	Oct. 27,'97	45	43	31,000
Iowa Central 1st gold 5's	1938	6,322,000	J & D	97½	Oct. 29,'97	98	97	85,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's	1929	3,000,000	A & O	....		....	....	....
Kan.C.Pitt.&Gulf 1st & col. g. 5's	1923	19,706,000	A & O	79¾	Oct. 28,'97	80½	77¼	212,000
Kings Co. El. series A. 1st g. 5's	1925	3,177,000	J & J	57	Oct. 29,'97	60½	57	20,000
Fulton El. 1st m. g. 5's series A	1929	1,979,000	M & S	40	Oct. 27,'97	41½	40	13,000
Lake Erie & Western 1st g. 5's	1937	7,250,000	J & J	116	Oct. 25,'97	116	116	1,000
" 2d mtge. g. 5's	1941	2,600,000	J & J	102¾	Oct. 20,'97	102¾	102	15,000
Northern Ohio 1st gtd g 5's	1945	2,500,000	A & O	100	Oct. 20,'97	100	97½	20,000
Lake Shore & Mich. Southern.								
Buffalo & Erie new b. 7's	1898	2,276,000	A & O	101⅝	Oct. 27,'97	101⅝	101½	2,000
Detroit, Mon. & Toledo 1st 7's	1906	924,000	F & A	120½	Oct. 22,'97	120½	120½	3,000
Lake Shore division b. 7's	1899	1,134,500	A & O	104¼	Oct. 28,'97	104¼	104¼	4,500
" con. co. 1st 7's	1900	10,778,000	J&J	110½	Oct. 28,'97	110½	109⅞	29,000
" con. 1st registered	1900		Q J	108½	Oct. 28,'97	108⅞	108	28,000
" con. co. 2d 7's	1903	9,998,000	J&D	120½	Oct. 21,'97	120½	120½	10,000
" con. 2d registered	1903		J&D	120½	Oct. 21,'97	120½	119½	19,000
" g 3½s	1997	22,433,000	J & D	104	Oct. 30,'97	104	102½	281,000
" " registered			J & D	103⅝	Oct. 5,'97	103⅝	103⅝	5,000
Cin. Sp. 1st gtd L. S. & M. S. 7's	1901	1,000,000	A & O	109	Oct. 16,'97	109	109	1,000
Kal., A. & G. R. 1st gtd g. 5's	1938	840,000	J & J	....		....	....	....
Mahoning Coal R. R. 1st 5's	1934	1,500,000	J & J	116	Nov.30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s	1940	15,000,000	J&J	102	Oct. 29,'97	102	102	13,000
" registered		....	J&J	....		....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's	1941	10,000,000	A & O	112	Aug.25,'97	....	....	....
" registered			A & O	109½	July 1,'97	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's	1933	10,280,000	J & J	96¼	Oct. 28,'97	96¼	96¼	5,000
" registered	1933		J & J	....		....	....	....
Lehigh & N. Y., 1st gtd g. 4's	1945	2,000,000	M&S	90½	Sept.25,'97	....	....	....
" registered			M&S	....		....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's	1914	750,000	A & O	....		....	....	....
" " g. gtd 5's	1914	1,250,000	A & O	101	Sept.16,'97	....	....	....
Lex. Av & Pav. Ferry 1st gtd g 5's	1993	5,000,000	M&S	119	Oct. 30,'97	119½	117¾	36,000
" registered			M&S	....		....	....	....
Litchfield Car'n & W. 1st g. 5's	1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's	1937	3,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's	1898	1,121,000	M & N	104¼	Oct. 12,'97	104¼	104	4,000
Long Island 1st cons. 5's	1931	3,610,000	Q J	117	Oct. 25,'97	117½	116	6,000

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Long Island gen. m. 4's	1938	3,000,000	J & D	88	Aug. 23,'97	....	....	....
" Ferry 1st g. 4½'s	1922	1,500,0 0	M & S	91	Oct. 21,'97	91	89	9,000
" g. 4's	1932	325,000	J & D	91	Sept. 27,'97	....	....	....
" deb. g. 5's	1934	1,500,000	J & D	100	May 25,'97	....	....	....
N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	40	Mar. 23,'96	....	....	....
" 2d m. inc	1927	1,000,000	S	106¼	July 9,'97	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,728,000	A & O	105	Oct. 4,'75	105	103	7,000
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	Q JAN	103½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. Tr Co. ct. gold 5's	1939	3,406,000	J & J	36	Oct. 29,'97	38	36	31,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Aug. 21,'97	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	101⅜	Oct. 28,'97	101½	101¼	24,000
" Cecilian branch 7's	1907	545,000	M & S	103	Oct. 2,'96	103	103	3,000
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	121	Oct. 25,'97	121	120½	12,000
" 2d 6's	1930	1,000,000	J & J	107	Oct. 8,'97	107	107	2,000
" E., Hend. & N. 1st 6's	1919	2,030,000	J & D	115	May 11,'97	....	....	....
" general mort. 6's	1930	10,248,000	J & D	118	Oct. 28,'97	119	117½	51,000
" Pensacola div. 6's	1920	580,000	M & S	103½	Sept. 24,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107¼	Aug. 3,'97	....	....	....
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" 5% 50 year g. bonds	1937	1,764,000	M & N	101	Oct. 7,'97	101	101	5,000
" Unified gold 4's	1940	14,994,000	J & J	84⅝	Oct. 30,'97	84⅝	83	151,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,833,000	F & A	103¼	Oct. 23,'97	104	102½	13,000
" collateral trust g. 5's	1931	5,129,000	M & N	103	Sept. 17,'97	....	....	....
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	106½	Sept. 10,'97	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	88	Oct. 29,'97	88	87½	10,000
South & N. Ala. con. gtd. g. 5's	1936	3,673,000	F & A	93½	Oct. 19,'97	93½	93½	15,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	89	Oct. 27,'97	89	86¼	12,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	93¼	Oct. 29,'97	94½	93	144,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	118½	Oct. 29,'97	119	118	40,000
" 2d 6's	1899	4,000,000	M & N	106	Oct. 26,'97	106½	105½	15,000
" St. Ry. gen. col. tr. g. 5's	1997	12,500,000	F & A	109¾	Oct. 30,'97	110	109¾	110,000
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	66	Aug. 14,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped	....	....	....	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97	....	....	....
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97	....	....	....
" registered			J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	117	Oct. 22,'97	117½	117	2,000
" 1st con. 5's	1902	2,000,000	M & N	107½	Oct. 21,'97	107½	107½	1,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	120	Sept. 16,'97	....	....	....
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	106	Sept. 10,'97	....	....	....
" mtge. 4's reg	....		J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil.Elec.R.&Light con.30yr.g.5's.1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's.1927	950,000	J & D	135⅛	Aug. 4,'97	....	....	....
• 1st con. g. 5's............1934	5,000,000	M & N	107	Oct. 25,'97	107¼	105¾	52,000
• Iowa ext. 1st g. 7's......1909	1,015,000	J & D	123¾	Apl. 28,'97	....	....	....
• Southw. ext. 1st g. 7's...1910	636,000	J & D	129	May 16,'96	....	....	....
• Pacific ext. 1st g. 6's....1921	1,382,000	J & A	121¼	Aug.31,'97	....	....	....
Minneapolis & Pacific 1st m. 5's..1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
• stamped 4's pay. of int. gtd.			....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's.1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
• stamped pay. of int. gtd.			89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's.1838	6,710,000	J & J	....	....	....	....	....
• stamped pay. of int. gtd.			....	....	....	....	....
Minn. St. R'y 1st con. g. 5's......1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's.1990	39,718,000	J & D	85¾	Oct. 30,'97	86½	85¼	638,500
• 2d mtge. g. 4's.........1990	20,000,000	F & A	60	Oct. 30,'97	64½	58½	1,224,000
• 1st ext gold 5's.. 1944	998,000	M & N	85	Oct. 12,'96	85	85	11,000
• of Texas 1st gtd g. 5's1942	2,685,000	M & S	81	Oct. 30,'97	81	80	45,000
• Kan. C. & P. 1st g. 4's.1990	2,500,000	F & A	67	Oct. 30,'97	67	67	2,000
• Dal. & Waco 1st g.g. 5's1940	1,340,000	M & N	82¼	Oct. 20,'97	82¼	82¼	10,000
Booneville Bdg. Co. gtd. 7's... 1906	599,000	M & N	....	....	....	....	....
Tebo. & Neosho 1st 7's...........1903	187,000	J & D	....	....	....	....	....
Mo. Kan. & East'n 1st gtd. g. 5's.1942	4,000,000	A & O	93	Oct. 19,'97	95	93	15,000
Missouri, Pacific 1st con. g. 6's...1920	14,904,000	M & N	94¼	Oct. 10,'97	94½	91¾	173,000
• 3d mortgage 7's.......1906	3,828,000	M & N	110	Oct. 30,'97	110	109	8,000
• trusts gold 5's.........1917	14,376,000	M & S	47	June 11,'97	....	....	....
• registered................		M & S	....	....	....	....	....
• 1st collateral gold 5's.1920	7,000,000	F & A	65	Oct. 13,'97	65	65	1,000
• registered................	....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's.1938	7,000,000	M & S	101	Oct. 27,'97	101	100½	58,000
• 2d extended g. 5's.....1938	2,573,000	F & A	106	Sept.17,'97	....	....	....
Verdigris V'y Ind. & W. 1st 5's.1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's.1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s...1897	4,000,000	F & A	107	Oct. 12,'97	107	107	5,000
• Ark'nsas b'nch ext 5's1895	2,500,000	J & D	105½	Oct. 19,'97	105½	105	12,000
• g. con. R.R. & l. gr. 5's1931	18,345,000	A & O	85	Oct. 30,'97	87½	83	218,000
• stamped gtd gold 5's..1931	6,945,000	A & O	85	Oct. 16,'97	85	85	1,000
Mob. & Birm., prior lien, g. 5's...1945	374,000	J & J	....	....	....	....	....
• small........................	226,000	J & J	....	....	....	....	....
• inc. g. 4's................1945	700,000	J & J	....	....	....	....	....
• small........................	500,000	......	....	....	....	....	....
Mobile & Ohio new mort. g. 6's..1927	7,000,000	J & J	122	Oct. 11,'97	122½	122	7,000
• 1st entension 6's......1927	974,000	J & D	117	Oct. 19,'97	117	117	2,000
• gen. g. 4's.............1938	9,450,500	Q J	72	Oct. 30,'97	72	70	121,500
St. Louis & Cairo gtd g. 4's.....1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's..1920	1,494,000	J & J	111	July 21,'96	....	....	....
• 1st 7's....................1918	5,000,000	A & O	127½	Oct. 26,'97	127½	127½	10,000
Nashville, Chat. & St. L. 1st 7's...1913	6,300,000	J & J	132¼	Oct. 28,'97	132¼	129½	11,000
• 2d 6's......................1901	1,000,000	J & J	101½	Apl. 14,'97	....	....	....
• 1st cons. g. 5's...........1928	5,594,000	A & O	103	Oct. 27,'97	103½	100½	34,000
• 1st 6's T. & Pb...........1917	300,000	J & J	....	....	....	....	....
• 1st 6's McM. M.W. & Al.1917	750,000	J & J	108	Mar. 24,'96	....	....	....
• 1st g.6's Jasper Branch.1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's..1915	1,320,000	A & O	108½	Aug.13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's..1903	30,000,000	J & J	117½	Oct. 23,'97	118¼	117½	59,000
• 1st registered..........1903		J & J	117½	Oct. 28,'97	117½	117¼	105,000
• debenture 5's..........1904	10,000,000	M & S	109	Oct. 28,'97	109½	109	16,000
• debenture 5's reg..........		M & S	111	July 21,'97	....	....	....
• reg. deben. 5's....1889-1904	1,000,000	M & S	109⅛	Sept.24,'97	....	....	....
• debenture g. 4's..... 1905	15,000,000	J & D	104½	Oct. 25,'97	104½	104	10,000
• registered........... 1905		J & D	103½	Oct. 19,'97	103½	103½	1,000
• deb. cert. ext. g. 4's...1905	6,450,000	M & N	104⅛	Sept.24,'97	....	....	....
• registered.................		M & N	104¼	Aug. 3,'97	....	....	....
Harlem 1st mortgage 7's c.....1900	12,000,000	M & N	111⅝	Oct. 9,'97	111⅝	111⅝	2,000
• 7's registered..........1900		M & N	107	Oct. 27,'97	107	107	3,000
N. Jersey Junc. R. R. g. 1st 4's.1986	1,650,000	F & A	103	May 7,'97	....	....	....
• reg. certificates...........		F & A	....	....	....	....	....

BOND QUOTATIONS.—Last sale, price and date highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int's Paid.	Last Sale. Price.	Last Sale. Date.	October Sales. High.	October Sales. Low.	October Sales. Total.
West Shore 1st guaranteed 4's	.....	50,000,000	J & J	109¼	Oct. 30,'97	109¼	107½	106,000
" registered	....		J & J	108¾	Oct. 29,'97	108¾	106¾	41,500
Beech Creek 1st. g. gtd. 4's	1936	5,000,000	J & J	108	Sept.15,'97	....	....	....
" registered			J & J	105½	June 12,'96	....	....	....
" 2d gtd. 5's	1936	500,000	J & J	....		....	....	....
" registered		....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A.	1940	770,000	J & J	....		....	....	....
" small bonds series B	......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's	1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's	1922	9,081,000	A & O	119¼	Oct. 28,'97	119¼	119	18,000
Nor. & Montreal 1st g. gtd 5's	1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's	1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's	1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's	1922	1,800,000	J & J	107½	Oct. 14,'97	107½	107½	6,000
Mohawk & Malone 1st gtd g. 4's	1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's	1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's	1993	4,000,000	A & O	103	May 22,'96	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's	1937	19,425,000	A & O	104	Oct. 30,'97	104⅜	103¾	78,000
" registered	....		A & O	105	Feb. 16,'97	....	....	....
N. Y. & New England 1st 7's	1905	6,000,000	J & J	123	June 16,'97	....	....	....
" 1st 6's	1905	4,000,000	J & J	114	May 27,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's	1903	2,000,000	J & D	104½	Oct. 7,'97	104½	104½	1,000
" con. deb. receipts	$1,000	15,007,500	A & O	139½	Oct. 28,'97	140	139½	59,000
" small certifs	$100	1,430,000	......	138	Oct. 29,'97	140	138	8,200
N. Y. & Northern 1st g. 5's	1927	1,200,000	A & O	122½	Sept.24,'97	....	....	....
N.Y., Ontario & W'n con. 1st g. 5's	1939	5,600,000	J & D	109	Oct. 29,'97	109	108	36,500
" Refunding 1st g. 4's	1992	8,375,000	M & S	96½	Oct. 28,'97	97¼	96	73,000
" Registered	$5,000 only.	....	M & S	83⅜	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's	1937	3,750,000	J & J	106	Oct. 30,'97	106¼	105½	13,000
" 2d mortg. 4½'s	1937	453,000	F & A	84	Oct. 7,'97	84	84	5,000
" gen. g. 5's	1940	2,547,000	F & A	87	Oct. 14,'97	88½	87	20,000
" term. 1st mtg. g. 5's	1843	2,000,000	M & N	108½	Oct. 6,'97	108½	108½	6,000
" registered	$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's	1942	3,000,000	J & D	96⅞	Sept.17,'97	....	....	....
Midland R. of N. Jersey 1st 6's	1910	3,500,000	A & O	117	Oct. 18,'97	117	117	1,000
N.Y., Texas & Mexico g. 1st 4's	1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's	1921	13,096,000	J & J	120	Oct. 30,'97	121	119⅝	366,000
" registered	....		J & J	120	Oct. 29,'97	121	119½	776,000
St. Paul & N. Pacific gen 6's	1923	7,985,000	F & A	128	Oct. 29,'97	128	128	2,000
" registered certificates	....		Q F	128½	Oct. 5,'97	128½	128½	5,000
N. P. Ry prior ln reg.&ld.gt.g.4's	1997	77,796,500	Q J	90⅝	Oct. 30,'97	91¼	90	1,505,500
" registered	....		Q J	90¼	Oct. 28,'97	91¼	90¼	2,500
" gen. lien g. 3's	2047	56,000,000	Q F	59	Oct. 29,'97	60½	58¾	1,897,500
" registered	....		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's	1933	3,930,000	J & J	104	Oct. 29,'97	107	103	62,000
Norfolk & Southern 1st g. 5's	1941	750,000	M & N	108	June 26,'97	....	....	....
Norfolk & Western gen. mtg. 6's	1931	7,283,000	M & N	122	Sept.27,'97	....	....	....
" New River 1st 6's	1932	2,000,000	A & O	120½	Oct. 29,'97	120½	120½	5,000
" imp'ment and ext. 6's	1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
" coupons off	....	....	......	....		....	....	....
" Sci'o Val & N.E. 1st g. 4's	1989	5,000,000	J & N	85	Oct. 30,'97	85	84	77,000
" C. C. & T. 1st g. t. g g 5's	1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s	1996	23,199,400	A & O	76½	Oct. 27,'97	77½	75	280,500
" registered	....		A & O	....		....	....	....
" small bonds	....		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's	1920	3,500,000	A & O	49	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc.	1920	800,000	O	....	....	....	....	....
• inc.	small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's	1898	3,435,000	J & J	102¾	Oct. 19,'97	102¾	102¾	1,000
• consolidated 7's	1898	3,066,000	J & J	102¼	Oct. 7,'97	102¼	102¼	4,000
• 2d consolidated 7's	1911	2,952,000	A & O	120	June 21,'97	....	....	....
• 1st Springf'd d. 7's	1905	1,984,000	M & N	102½	Sept. 30,'97	....	....	....
• 1st general 5's	1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's	1936	2,000,000	J & D	102¼	Oct. 21,'97	102¼	102¼	1,000
• gen. mortg. g 6's	1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's	1921	3,924,000	J & D	86	Aug. 19,'97	....	....	....
• gen. mortg. g 4's	1921	1,543,000	M & N	18	Sept. 17,'97	....	....	....
• gen. eng. Trust Co. certs.		1,255,000	......	9	July 16,'97	....	....	....
Omaha & St. Lo. Tr Co. cts. 1st 4's	1937	2,717,000	......	59¾	Oct. 28,'97	59¾	58	12,000
Oregon & California 1st g 5's	1927	18,842,000	J & J	72½	June 11,'97	....	....	....
Oregon Improvement Co. 1st 6's	1910	254,000	J & D	108	Sept. 21,'97	....	....	....
• eng. Tr. Co. ctfs. of dep.		3,717,000	......	108	Oct. 28,'97	103⅜	90⅛	157,000
• • stamped int. paid		....	......	....	....	....	....	....
• con. mortg. g 5's	1939	652,000	A & O	32½	Aug. 24,'97	....	....	....
• Trust Co. reor cts 2d ins pd.		5,897,000	......	40½	Oct. 28,'97	43	40	546,000
Oregon Ry. & Nav. 1st s. f. g. 6's	1909	4,451,000	J & J	111¾	Oct. 28,'97	112¼	111¾	12,000
Oregon R. R. & Nav. Co. con. g 4's	1946	15,174,000	J & D	92¼	Oct. 30,'97	92⅜	90½	407,000
Oregon Short Line 1st g. 6's	1922	13,651,000	F & A	119⅛	Oct. 30,'97	119⅛	116	452,000
Utah & Northern 1st 7's	1908	1,031,000	J & J	118½	Aug. 5,'97	....	....	....
• g. 5's	1926	1,877,000	J & J	102	May 24,'94	....	....	....
Oreg. Short Line 1st con. g. 5's	1946	10,068,368	J & J	92⅛	Oct. 29,'97	92¾	90	760,500
• non-cum. inc. A 5's	1946	7,096,000	SEPT.	55½	Oct. 26,'97	58⅛	55¼	225,000
• non-cum. inc. B. & col. trust		14,018,000	OCT.	39	Oct. 11,'97	39	37½	4,000
Panama s. f. subsidy g 6's	1910	1,732,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.								
Penn. Co.'s gtd. 4½'s, 1st	1921	19,467,000	J & J	114¼	Oct. 27,'97	114¼	113¼	12,000
• reg	1921		J & J	112	Aug. 17,'97	....	....	....
Pitts., C. C. & St. Louis con. g 4½'s								
• Series A	1940	10,000,000	A & O	109	Oct. 21,'97	109	108⅛	3,000
• Series B	1942	10,000,000	A & O	111¼	Aug. 24,'97	....	....	....
• Series C	1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
• Series D gtd. 4's	1945	4,863,000	M & N	102	Oct. 9,'97	102	102	5,000
Pitts., C. & St. Louis 1st c. 7's	1900	6,863,000	F & A	111¼	July 2,'97	....	....	....
• 1st reg. 7's	1900		F & A	109¼	Apr. 23,'97	....	....	....
Pitts., Ft. Wayne & C. 1st 7's	1912	2,917,000	J & J	142	Oct. 4,'97	142	142	1,000
• 2d 7's	1912	2,546,000	J & J	139	Oct. 23,'97	139	139	500
• 3d 7's	1912	2,000,000	A & O	128	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's	1932	1,506,000	A & O	113	May 14,'96	....	....	....
• registered		....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's	1900	1,505,000	M & N	111⅛	Sept. 30,'97	....	....	....
• Series A	1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
• 4½ Series B	1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's	1898	1,000,000	M & N	102	June 18,'96	....	....	....
• 2d gtd. 7's	1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g	1941	4,333,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's	1942	5,389,000	M & S	....	....	....	....	....
Newp. & Cin. Bge Co. gtd g. 4's	1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's	1923	1,675,000	......	108	May 12,'97	....	....	....
con. sterling gold 6 per cent	1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered	1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent	1919	4,998,000	M & S	....	....	....	....	....
• registered			Q Mch	....	....	....	....	....
con. gold 4 per cent	1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s	1935	1,250,000	M & N	111	July 8,'97	....	....	....
U'd N. J. RR. & Can Co. g 4's	1944	5,646,000	M & S	114¼	Oct. 22,'97	114¼	114¼	1,000
Del. R. RR. & Bge Co 1st gtd g. 4's	1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's	1920	586,000	J & J	103	Oct. 28,'97	103	102	27,000
• eng. Trust Co. ctfs.		701,000	......	97⅛	Oct. 29,'97	97⅛	97⅛	2,000
• Evansville div. 1st 6's	1920	633,000	M & S	102½	Oct. 29,'97	103	101	69,000
• eng. Trust Co. ctfs.		837,000	......	....	....	....	....	....
• Tr. Co. ctfs. 2d mort 5's	1926	1,846,000	M & N	13	Oct. 12,'97	14	13	11,000

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NAME.	*Principal Due.*	*Amount.*	*Int's. Paid*	LAST SALE.		OCTOBER SALES.		
				Price	*Date.*	*High.*	*Low.*	*Total.*
Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
• 2d m 4½'s	1921	1,499,000	M & N	89	Oct. 20,'97	90	99	36,000
Pine Creek Railway 6's	1932	3,500,000	J & D	123½	Oct. 26,'93	....	....	....
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108½	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
• 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	... .
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	104½	Oct. 27,'97	104½	102½	53,000
• 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	77½	Oct. 29,'97	78¼	77½	11,000
• Mort. g. 5's	1891-1941	3,500,000	M & N	83½	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	58,668,000	J & J	84⅛	Oct. 30,'97	85	83¾	682,000
• registered			J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	81⅞	Oct. 30,'97	82¼	80½	237,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	90	Oct. 21,'97	90	90	9,000
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	67¼	Oct. 25,'97	67⅞	67	38,500
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	2,200,000	J & D	105½	Aug. 27,'97	....	....	....
• registered			J & D	....	....	....	....	....
Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
Chic., St. L. & Pad 1st gd. g. 5's	1917	1,000,000	M & S	106	July 1,'97	....	....	....
St. Louis, South. 1st gtd. g. 4's	1931	550,000	M & S	70½	May 28,'96	....	....	....
• 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
• 1st con. 5's	1939	399,000	M & S	....	....	....	....	....
Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	June 12,'97	....	....	....
• 2d g. 6's, Class B	1906	2,766,500	M & N	116½	Oct. 18,'97	116½	116⅜	5,000
• 2d g. 6's, Class C	1906	2,400,000	M & N	115¾	Oct. 11,'97	115¾	115¾	1,000
• 1st g. 6's P. C. & O.	1919	1,035,000	F & A	118	May 23,'92	....	....	....
• gen. g. 6's	1931	7,807,000	J & J	116	Oct. 27,'97	116	114¼	159,000
• gen. g. 5's	1931	12,293,000	J & J	101¼	Oct. 29,'97	101¼	100⅛	171,000
• 1st Trust g. 5's	1987	1,099,000	A & O	92¾	Sept. 17,'97	....	....	....
Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	105	Oct. 4,'96	105	105	2,000
Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	70¾	Oct. 29,'97	71½	70	139,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	72½	Oct. 15,'97	74	72½	58,000
• 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27	Oct. 27,'97	29⅛	26¾	37,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	91	Feb. 27,'97	....	....	....
• gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
• 2d 5's	1917	2,000,000	A & O	105	Sept. 14,'97	....	....	....
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	12[illegible]⅛	July 15,'97	....	....	....
• Dakota ext'n 6's	1910	5,676,000	M & N	120	Sept. 24,'97	....	....	....
• 1st con. 6's	1933	13,344,000	J & J	128	Oct. 22,'97	128	128	1,000
• 1st con. 6's, registered			J & J	120	Aug. 19,'95	....	....	....
• 1st c. 6's, red'd to 4½'s		21,248,000	J & J	106½	Oct. 21,'97	106¾	106	29,000
• 1st cons. 6's register'd			J & J	105	Nov. 4,'95	....	....	....
• Mont. ext'n 1st g. 4's	1937	7,805,000	J & D	94½	Sept. 17,'97	....	....	....
• registered			J & D	89½	Apr. 23,'97	....	....	....
Minneapolis Union 1st 6's	1922	2,150,000	J & J	126	Sept. 10,'97	....	....	....
Montana Cent. 1st 6's int. gtd.	1937	6,000,000	J & J	122½	Oct. 27,'97	122½	122½	3,500
• 1st 6's, registered			J & J	115	Apr. 24,'97	....	....	....
• 1st g. g. 5's	1937	2,700,000	J & J	106½	Oct. 15,'97	106½	105	11,000
• registered			J & J	....	....	....	....	....
Eastern Minn. 1st d. 1st g. 5's	1908	4,700,000	A & O	106	Oct. 23,'97	106	106	1,000
• registered			A & O	....	....	....	....	....
Willmar & Sioux Falls 1st g. 5's	1938	3,625,000	J & D	107¾	Aug. 6,'97	....	....	....
• registered			J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	60	Oct. 30,'97	61¼	59⅛	291,000

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NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	OCTOBER SALES. *High.*	*Low.*	*Total.*
San Fran. & N. Pac. 1st s. f. g. 5's, 1919	3,872,000	J & J	100½	Oct. 20,'97	100½	100½	1,000
Sav. Florida & Wn. 1st c. g. 6's...1934	4,056,000	A & O	106⅝	Aug. 2,'97	....	....	....
" 1st g. 5's................1934	1,780,000	A & O	104½	Oct. 18,'97	104½	104½	3,000
Seaboard & Roanoke 1st 5's......1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's1931	4,991,000	F & A	40	Aug.27,'97	....	....	....
" assessment paid........		F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold, 1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's, 1919	5,250,000	M & N	94½	Oct. 30,'97	95	93	27,000
South'n Pac. of Ariz. 1st 6's 1909–1910	10,000,000	J & J	100½	Oct. 29,'97	101	95	166,000
South. Pac. of Cal. 1st g 6's...1905–12	30,577,500	A & O	106½	Oct. 19,'97	106½	105⅛	7,000
" 1st con. gtd. g 5's.....1937	19,095,000	M & N	91¾	Oct. 29,'97	92	90	127,000
Austin & Northw'n 1st g 5's.....1941	1,920,000	J & J	84¼	Oct. 30,'97	84¼	83	132,000
So. Pacific Coast 1st gtd. g. 4's...1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's....1911	4,180,000	J & J	107	Oct. 28,'97	107	106¼	135,000
Southern Railway 1st con. g 5's.1994	26,962,000	J & J	91½	Oct. 29,'97	93½	91⅛	16,000
" registered..................		J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's....1938	4,500,000	M & S	91½	Sept.30,'97	....	....	....
" registered..................		M & S	....	....	....	....	....
Alabama Central, 1st 6's.......1918	1,000,000	J & J	112¼	Aug.17,'97	....	....	....
Atl. & Char. Air Line, income..1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5–6's.....1916	2,000,000	J & J	115½	Aug.26,'97	....	....	....
East Tenn., Va. & Ga. 1st 7's...1900	3,123,000	J & J	108¾	Oct. 18,'97	108¾	108¾	1,000
" divisional g 5's........1930	3,106,000	J & J	115	Oct. 21,'97	116	115	10,000
" con. 1st g 5's..........1956	12,770,000	M & N	111	Oct. 27,'97	111	110⅝	51,000
Ga. Pacific Ry. 1st g 5–6's......1922	5,660,000	J & J	119¾	Oct. 28,'97	119¾	118	10,000
Knoxville & Ohio, 1st g 6's.....1925	2,000,000	J & J	113	Sept. 9,'97	....	....	....
Rich. & Danville, con. g 6's....1915	5,597,000	J & J	123	Oct. 16,'97	123	123	2,000
" equip. sink. f'd g 5's, 1909	940,000	M & S	100	Jan. 14,'97	....	....	....
" deb. 5's stamped......1927	3,368,000	A & O	100	Oct. 19,'97	100	100	10,000
Vir. Midland serial ser. A 6's..1906	600,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. B 6's..............1911	1,900,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. C 6's..............1916	1,100,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. D 4–5's............1921	950,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. E 5's..............1926	1,775,000	M & S	....	....	....	....	....
" small......................		M & S	....	....	....	....	....
" ser. F 5's..............1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's......1936	2,392,000	M & N	104	Oct. 27,'97	104½	103½	18,000
" gen.5's. gtd. stamped.1926	2,466,000	M & N	103½	Sept.30,'97	....	....	....
W. O. & W. 1st cy. gtd. 4's.....1924	1,025,000	F & A	84	Aug.10,'97	....	....	....
W. Nor. C. 1st con. g 6's.......1914	2,531,000	J & J	114	Oct. 7,'97	114	114	2,000
Staten Island Ry 1st gtd. g 4½s..1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's...1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s.1939	7,000,000	A & O	111½	Sept.28,'97	....	....	....
" 1st con. g. 5's.....1894–1944	4,500,000	F & A	107⅛	Oct. 29,'97	107⅛	106½	24,000
St. L. Mers. bdg. Ter. gtd g. 5's.1930	3,500,000	A & O	103	Oct. 27,'96	103	103	5,000
Terre Haute Elec. Ry. gen. g 6's.1914	444,000	Q JAN	105¾	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's......1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
" Sabine d. 1st 6's.........1912	2,575,000	M & S	106	June 12,'96	....	....	....
" con. m. g 5's............1943	1,620,000	F & A	97¼	Oct. 30,'97	97¼	95½	104,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th 1905	3,784,000	M & S	105¼	Sept.16,'97	....	....	....
" 1st gold 5's.............2000	21,049,000	J & D	96	Oct. 30,'97	96	95	195,000
" 2d gold income, 5's......2000	23,227,000	MAR.	28	Oct. 30,'97	30¼	25¾	2,159,000
Third Avenue 1st g 5's...........1937	5,000,000	J & J	123	Oct. 20,'97	123	123	10,000
Toledo & Ohio Cent. 1st g 5's....1935	3,000,000	J & J	104	Oct. 23,'97	104	101¼	5,000
" 1st M. g 5's West. div...1935	2,500,000	A & O	104	Sept.16,'97	....	....	....
" gen. g. 5's....1935	1,500,000	J & D	....	....	....	....	....
" Kanaw & M. 1st g. g. 4's.1990	2,340,000	A & O	80	Sept.25,'97	....	....	....
Toledo, Peoria & W. 1st g 4's....1917	4,800,000	J & D	72	Sept.30,'97	....	....	....
Tol., St.L.&K.C. Tr. Rec. 1st g 6's.1916	8,234,000	M & N	82½	Oct. 30,'97	86	82½	71,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	October Sales. High.	October Sales. Low.	October Sales. Total.
Ulster & Delaware 1st c. g 5's	1928	1,852,000	J & D	101	Oct. 28,'97	101	100½	7,000
Union Pacific 1st g. 6's	1896	11,604,000	J & J	102	Oct. 6,'97	102	102	13,000
" g. 6's	1897		J & J	102	Oct. 18,'97	102	102	6,000
" g. 6's	1898		J & J	102¼	Oct. 30,'97	102¼	101¾	22,000
" g. 6's	1899		J & J	102	Sept. 30,'97	....	....	....
" g. 6's Tr.Co.cfs.ex mat cps	1896	15,685,000	......	111½	Oct. 29,'97	117	111½	112,000
" g.6's Tr.Co. cfs.ex mat cps	1897		......	114	Oct. 22,'97	114¾	114	5,000
" g.6's Tr.Co. cfs. ex mat cps	1898		......	114½	Oct. 27,'97	116	113½	93,000
" g. 6's Tr.Co. cfs.ex mat cps	1899		......	114½	Oct. 22,'97	115½	114½	12,000
" collat. trust 6's		3,983,000	J & J	102	Oct. 5,'97	102	102	2,000
" col. trust g. 5's	1907	4,970,030	J & D	83	Aug. 31,'97	....	....	....
" col. Tr.Co. cts.g. 4½'s	1918	2,000,000	M & N	47½	Oct. 20,'97	47½	47½	6,000
" collat. Tr. 6's g. notes	1902	8,150,000	F & A	103	Sept. 15,'97	....	....	....
" col.Tr. 6's g.nts. 62½ p.pd.		....	......	41¼	Oct. 29,'97	42	40½	1,963,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's	1899	1,391,000	M & S	111	Oct. 29,'97	118	110	884,000
Kansas Pacific 1st 6's	1895	1,436,000	F & A	111¼	June 7,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		805,000	......	110½	Oct. 23,'97	110½	110½	35,000
" 1st 6's	1896	1,990,000	J & D	114	Sept. 29,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps		2,073,000	......	111½	Oct. 23,'97	115	111½	74,000
" Denver div. assd. 6's	1899	2,836,000	M & N	120½	Oct. 5,'97	120½	120½	15,000
" eng.Tr.Co. cfs. ex mat cps		3,051,000	......	110	Oct. 30,'97	118	110	105,000
" Tr.Co. ctfs. 1st con. 6's	1919	11,474,000	......	85⅝	Oct. 30,'97	101¼	85⅝	750,000
Cent. Br. Un. Pac. f'd cpns 7's	1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's	1905	4,070,000	Q F	30½	Oct. 29,'97	36	30½	11,000
U. P., Lin. & Colo. 1st gtd g. 5's	1918	4,480,000	A & O	32	Oct. 2,'97	32	32	3,000
" Den.&Gulf 1st c. g.5's	1939	5,814,000	J & D	48	Oct. 30,'97	53½	47½	1,003,000
" eng. Trus. Co. certfs		10,087,000	......	....	....	....	....	....
Wabash R.R. Co., 1st gold 5's	1939	31,664,000	M & N	108¼	Oct. 30,'97	108¼	107⅛	286,000
" 2d mortgage gold 5's	1939	14,000,000	F & A	79½	Oct. 29,'97	80	77⅛	485,000
" deben. mtg series A	1939	3,500,000	J & J	....	....	....	....	....
" series B	1939	25,740,000	J & J	29	Oct. 29,'97	31	28	71,000
" 1st g.5's Det.& Chi.ex.	1940	3,500,000	J & J	99½	Oct. 26,'97	99½	98	3,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's	1908	1,000,000	A & O	111	July 20,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's	1937	10,000,000	J & J	107¼	Oct. 21,'97	107¾	106¾	16,000
" gen g. 2-3-4's	1943	10,000,000	A & O	45½	Oct. 14,'97	46½	45½	39,000
" inc. 5's	1943	10,000,000	Nov.	14	Sept. 9,'97	....	....	....
West Chic. St. 40 yr. 1st cur. 5's.	1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's	1936	6,031,000	M & N	101⅞	Sept. 28,'97	....	....	....
West Va. Cent'l & Pac. 1st g. 6's.	1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's	1926	1,265,000	A & O	91	Oct. 29,'97	93	91	9,000
" Trust Co. certificates		1,735,000	......	....	....	....	....	....
" Wheeling div. 1st g. 5's.	1928	1,500,000	J & J	75	Sept. 30,'97	....	....	....
" exten. and imp. g. 5's	1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's	1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's	1937	1,987,000	J & J	37	Sept. 24,'97	....	....	....
" eng. Trust Co. certificates.		10,013,000	......	33	Oct. 29,'97	37½	32½	94,000
" income mortgage 5's	1937	7,775,000	A & O	5	Oct. 21,'97	6	5	5,000

UNITED STATES GOVERNMENT SECURITIES.

Name	Principal Due.	Amount.	Int'st Paid.	Year 1897 High.	Year 1897 Low.	October Sales. High.	October Sales. Low.	October Sales. Total.
United States 2's registered	Opt'l	25,364,500	Q M	98½	98¼	....	....	......
" 4's registered	1907	559,634,000	J A J&O	112⅞	110⅝	112⅞	112	33,000
" 4's coupon	1907		J A J&O	114	111⅜	114	113¼	3,500
" 4's registered	1925	162,315,400	Q F	127½	120¼	127⅛	127⅛	125,000
" 4's coupon	1925		Q F	128¼	120⅛	128¼	126	205,000
" 5's registered	1904	100,000,000	Q F	114⅝	113	....	....	......
" 5's coupon	1904		Q F	115⅞	113	115⅞	115	137,000
" 6's currency	1898	29,904,952	J & J	103½	103⅛	....	....	......
" "	1899	14,004,560	J & J	107¾	106⅛	....	....	......
" 4's reg. cer. ind. (Cherokee)	1898	1,660,000	MAR	....	....	....	....	......
" "	1899	1,660,000	MAR	106⅝	106⅝	....	....	......

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MISCELLANEOUS BONDS.

NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	OCTOBER SALES. *High.*	OCTOBER SALES. *Low.*	OCTOBER SALES. *Total.*
American Cotton Oil deb. g. 8's	1900	3,068,000	Q F	108¾	Oct. 25,'97	109	108⅛	37,000
Am. Spirit Mfg. Co. 1st g. 6's	1915	2,000,000	M & N	80	Oct. 25,'97	85	80	9,000
Atlanta Gas Light Co. 1st g. 5's	1947	1,150,000	J & D	....	....	....	....	....
Barney & Smith Car Co. 1st g. 6's	1942	1,000,000	J & J	....	....	....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's	1939	7,000,000	J & J	92	July 26,'97	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's	1945	13,061,000	M & N	113⅛	Oct. 30,'97	114	113	68,000
B'klyn Wharf & Wh. Co. 1st g. 5's	1945	17,500,000	F & A	100	Oct. 29,'97	101	100⅛	108,000
Chic. Gas Lt & Coke 1st gtd g. 5's	1937	10,000,000	J & J	102⅝	Oct. 29,'97	104	102⅛	44,000
Chic. Junc. & St'k Y'ds col. g. 5's	1915	10,000,000	J & J	109⅞	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's	1900	2,954,000	F & A	95	Oct. 23,'97	95	95	1,000
Colo. C'l & I'n Devel. Co. gtd g. 5's	1909	700,000	J & J	93	July 12,'97	....	....	....
" Coupon off		....	......	....	....	....	....	....
Colo. Fuel Co. gen. g. 6's	1919	1,043,000	M & N	106⅛	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's	1943	2,021,000	F & A	80	May 27,'96	....	....	....
Columbus Gas Co., 1st g. 5's	1932	1,175,000	J & J	....	....	....	....	....
Colo. Hock. Val. C'l & I'n g. 6's	1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's	2397	11,400,000	Q & J	105⅛	Oct. 14,'97	105⅛	105⅛	12,000
" registered			Q & J	106¾	July 12,'97	....	....	....
Con'rs Gas Co. Chic. 1st g. 5's	1936	4,346,000	J & D	100	Oct. 21,'97	100	99⅛	11,000
Detroit Gas Co. 1st con. g. 5's	1918	2,000,000	F & A	89	Oct. 27,'97	93	89	27,000
Edison Elec. Illu. 1st conv. g. 5's	1910	4,312,000	M & S	111	Oct. 29,'97	111	109⅛	18,000
" 1st con. g. 5's	1995	2,156,000	J & J	113	Oct. 19,'97	113	112	3,000
" Brooklyn 1st g. 5's	1940	1,500,000	A & O	110⅛	Feb. 4,'97	....	....	....
" registered			A & O	....	....	....	....	....
Equitable Gas Light Co. of N. Y.								
" 1st con. g. 5's	1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Equit. Gas & Fuel, Chic. 1st g. 6's	1905	2,000,000	J & J	106	Oct. 27,'97	106	106	1,000
Erie Teleg. & Tel. col. tr. g s fd 5's	1926	1,960,000	J & J	....	....	....	....	....
General Electric Co. deb. g. 5's	1922	8,000,000	J & D	101⅛	Oct. 29,'97	101⅛	100	66,000
Grand Riv. Coal & Coke 1st g. 6's	1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st								
" g. 5's	1915	1,225,000	F & A	92⅛	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's	1926	1,090,000	J & J	107⅛	June 3,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's	1931	1,728,000	M & S	111	Aug. 23,'97	....	....	....
Hoboken Land & Imp. g. 5's	1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's	1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's	1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's	1901	500,000	J & J	75⅛	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.								
" 1st g. 5's	1926	1,975,000	J & D	107	May 27,'97	....	....	....
" 2d g. 5's	1926	1,100,000	J & D	80	May 4,'97	....	....	....
Kansas City Mo. Gas Co. 1st g 5's	1922	3,750,000	A & O	....	....	....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's	1919	10,000,000	Q F	101⅞	Oct. 29,'97	108	101	153,000
" small bonds				97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's	1919	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's	1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's	1918	2,000,000	M & N	108¼	Jan. 5,'92	....	....	....
" registered			M & N			....	....	....
Mich. Penins. Car Co. 1st g 5's	1942	2,000,000	M & S	55	June 5,'97	....	....	....
Mutual Union Tel. Skg. F. 6's	1911	1,957,000	M & N	111⅛	Aug. 17,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's	1920	3,887,000	J & J	109	Oct. 25,'97	109	108¾	16,000
Newport News Shipbuilding & Dry Dock 5's	1890–1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv.	1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's	1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's	1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's	1904	2,100,000	M & N	113	July 7,'97	....	....	....
" 2d 6's	1904	2,500,000	J & D	107	Oct. 18,'97	107	107	500
" 1st con. g 6's	1943	4,900,000	A & O	113	Oct. 27,'97	113¼	112⅛	34,000
Peoria Water Co. g 6's	1889–1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's	1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....

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MISCELLANEOUS BONDS—*Continued.*

NAME. *Principal Due.*	*Amount.*	*Int't paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	OCTOBER SALES. *High.*	OCTOBER SALES. *Low.*	OCTOBER SALES. *Total.*
Procter & Gamble, 1st g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....
St. Louis Terml. Cupples Station.1917 & Property Co. 1st g 4½'s 5-20......	2,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,955,000	F & A	60½	Oct. 30,'97	64	60	67,000
" " inc. g. 5's.1946	7,500,000	......	14	Oct. 29,'97	16	12	211,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,244,000	A & O	89½	Sept. 21,'97	....	....	....
" Bir. div. 1st con. 6's...1917	3,399,000	J & J	87	Oct. 30,'97	90	87	49,000
Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's...1910	2,428,000	F & A	81½	Aug. 16,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	115	Oct. 22,'97	116¼	115	16,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's....1933	3,805,500	M & N	103	Sept. 28,'97	....	....	....
Western Union deb. 7's.....1875-1900	3,680,000	M & N	107	June 26,'96	....	....	....
" 7's, registered..........1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's......1884-1900	1,000,000	M & N	105½	July 7,'97	....	....	....
" registered..................		M & N	105	May 10,'97	....	....	....
" col. trust cur. 5's.......1938	8,502,000	J & J	109	Oct. 25,'97	109	108½	8,000
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitehrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

New Counterfeit $10 Silver Certificate.—Series 1891; check letter A; plate number 17; J. Fount Tillman, Register; D. N. Morgan, Treasurer; portrait of Hendricks; small scalloped seal, No. E19524809. It is a photographic production of excellent workmanship. The face of note is well executed and liable to deceive, but a careful scrutiny of the numbers and seal will disclose the original brown of the photograph beneath the applied colors. The back of note is a blue print over which green ink has been poorly applied with brush, leaving many places uncovered. This counterfeit is printed on two pieces of thin bond paper, then pasted together, and the silk fibre of the genuine is imitated by pink and blue ink lines.

Counterfeit Silver Dollar.—A specimen of a counterfeit silver standard dollar has been received at the Secret Service Division of the Treasury from St. Louis, Mo. The greatest danger from this coin lies in the fact that it is made of silver about of standard fineness and its weight approximates the genuine, yet it should not be very difficult to detect. It is dated 1888, and bears the New Orleans mint mark. Its most glaring fault is that no margin is left between the milling on face of coin and its edge. The lettering is too large and much of it poorly formed. The word "liberty" across the front of the Goddess' cap is too prominent as though it was cut after the coin was struck. The breast of the eagle on reverse is entirely smooth, no attempt being made to give it the feathered appearance of the genuine. There are many other defects in this counterfeit but the above are deemed sufficient to identify it.

Postal Savings Banks.—The American monthly review, THE BANKERS' MAGAZINE, of New York, which has obtained since 1846 high authority in America and Europe, gives in the number for August, 1897, a valuable review, in connection with the last work of M. de Malarce, of the influence of school Savings banks as lessons in apprenticeship, as practical schools and as stimulants in the development of the clientage and resources of Savings banks and other institutions of popular thrift.—*Revue Des Postes et Télégraphes* (Paris).

Foreign Investors Doubtful.—Pierre Lorillard, the wealthy tobacco manufacturer, who recently returned from Europe, said in an interview:

"Foreign stockholders do not care to invest money in this country, even if assured of a twenty per cent. dividend. They will invest anywhere—in New Zealand, British Columbia, anywhere but here. And they won't until the money question is settled."

BANKERS' OBITUARY RECORD.

Alford.—J. P. Alford, Cashier of the Marshall (Tex.) National Bank, died October 8.

Baldwin.—Albert Baldwin, Vice-President of the Newark (N. J.) City National Bank, died October 21. He was born in East Orange, N. J., July 5, 1835. He attended the village school, and entered the Orange Bank as a junior clerk, where he acquired a sufficient knowledge of the business in three or four years to enable him to obtain a position in 1856 in the Newark City Bank. In 1858 he became Cashier, a position he filled for nearly forty years, winning for himself the affection and confidence of his associates. In 1896 he was elected Vice-President.

Berry.—Geo. F. Berry, for the past ten years Treasurer of the Pittsfield (N. H.) Savings Bank, died October 7, aged sixty-seven years.

Denney.—Alfred Denney, President of the Fortville (Ind.) Bank, and a veteran of the Mexican War, died October 19, aged seventy-five years.

Dennis.—Robert F. Dennis, Vice-President of the Bank of Lewisburg, W. Va., died Oct. 8.

Dole.—Wm. B. Dole, President of the People's Bank, Pomona, Cal., died October 24.

Drown.—James T. Drown, for nearly twenty-five years Cashier of the Atlantic National Bank, Boston, died October 8. He had been connected with the bank for thirty-three years, and was highly regarded for his ability and integrity.

Grove.—R. M. Grove, until recently President of the Danville (Pa.) National Bank, died October 24.

Henderson.—H. L. Henderson, President of the First State and Savings Bank, Mason, Mich., and a banker for thirty years, died October 11.

Kuntz.—James W. Kuntz, one of the wealthiest residents of Washington, Pa., died Oct. 5. He was born in 1821, and was formerly President of the Washington Savings Bank, which is now the Citizens' National Bank.

Jackson.—Col. Geo. W. Jackson, a member of the banking firm of Jackson, Hastings & Co., Bellefonte, Pa., died October 22.

Jeffers.—James S. Jeffers, President of the Farmers' National Bank, Shelbyville, Ind., since its organization, died October 8. He was born in Butler county, Ohio, in 1842.

Matthews.—J. W. Matthews, Cashier of the Bank of Lewisburg, W. Va., died September 27. He had managed the bank for more than a quarter of a century with entire satisfaction to the stockholders and directors.

McGraw.—Thomas McGraw, Vice-President of the Union National Bank, Detroit, Mich., and a director of the City Savings Bank, died October 11. He was largely interested in merchandising and real estate, and was possessed of a considerable fortune.

Miller.—Justus Miller, Vice-President of the Central National Bank, Troy, N. Y., died November 2, aged seventy-two years.

Orendorff.—W. J. Orendorff, Vice-President of the First National Bank, Canton, Ill., died October 18.

Peck.—John P. Peck, President of the Farmers' Bank, Coshocton, Ohio, died October 7, aged sixty-three years.

Porter.—Daniel F. Porter, for the past seven years President of the Hamilton Bank, New York city, died October 17. Mr. Porter was born in New York about fifty-two years ago. He was for many years a member of the real estate firm of Porter & Co.

Raymond.—James H. Raymond, of the banking firm of James H. Raymond & Co., Austin, Texas, died October 30, aged eighty years. He was the first State Treasurer of Texas, and was secretary of the convention which framed the constitution of Texas.

Scudder.—Jason Scudder, President of the Adrian (Mo.) Banking Co. for the last ten years, died October 7, aged fifty-nine years.

Speer.—Wm. W. Speer, President of the Dollar Savings Bank, Pittsburg, Pa., and a director of the Iron City National Bank, died October 11. He was fifty years of age, and was associated with many leading business enterprises.

Watson.—Stephen Watson, President of the Madison National Bank, London, Ohio, and Vice-President of the London Exchange Bank, died October 5, at the age of seventy years.

White.—Charles White, formerly Cashier of the Northampton (Mass.) National Bank for many years, died October 8, aged eighty-four years.

THE

BANKERS' MAGAZINE.

RHODES' JOURNAL OF BANKING and THE BANKERS' MAGAZINE Consolidated.

FIFTY-FIRST YEAR. DECEMBER, 1897. VOLUME LV, No. 6.

THE POSSIBILITY OF CURRENCY LEGISLATION during the present session of Congress appears to be very generally doubted. But this belief seems to have no firmer foundation than the fact of inaction during the extra session and the alleged majority in the Senate against measures for the establishment of sound money.

The neglect of the currency question during the extra session disappointed many, but it was perhaps politically necessary that all the energies of the newly elected Congress should be concentrated upon the tariff. The most important duty was naturally to cure if possible the deficiency in the revenues. Although this has not yet been accomplished, the foundation has been constructed, and it will not be difficult to add such internal revenue taxes as will with the present tariff fully meet the expenses of the Government. This can be done without exciting any great amount of discussion.

Foreign relations may attract the attention of Congress, but there is no reason to think that they will be permitted to absorb much time. The growing prosperity of the country renders it less necessary to divert the minds of the public from hard times at home to the relations of the Government with other nations. As a matter of fact both the Hawaiian and Cuban questions and the seal-fishery dispute are very small affairs, in which a very small minority of the people of the country are really interested. If every seal were destroyed it would not disturb the masses of the people any more than the disappearance of the buffalo from the plains.

There really remains no question of any genuine importance for Congress to consider except the currency question. The whole country has been agitated with it for years, and it is difficult to understand the alleged indifference of Congress. During the last month reports have been promulgated apparently with the design of discouraging those who desire to see the monetary laws of the country placed on a firm and satisfactory basis. Public men of prominence have been represented as saying that nothing would or could be done in regard to the currency by the present Congress.

There is usually no unwillingness on the part of legislators to take up and discuss questions upon which the public mind has been as intensely concentrated as it has upon the currency question.

Perhaps one reason for the spread of these reports adverse to monetary legislation may be found in the wishes of that large number of persons who flock to Washington at the meeting of Congress to secure legislation for their private aggrandizement. A great question of really public importance which absorbs the time and the minds of legislators renders it more difficult to secure attention to private schemes. The extra session of Congress was devoted to the tariff to the virtual exclusion of all other questions. The lobbyists had no chance. This class of private schemers see danger and disadvantage to themselves in that during the present session the currency question shall occupy the same prominent position that the tariff did during the last session.

It is to be suspected that the alleged hostility of Senators and Representatives is in reality a myth, invented and promulgated by lobbyists who gain the ear of confiding or interested correspondents, for the purpose of gaining more time for private schemes of legislation.

But indications now present themselves that Congress does recognize the popular demand for currency reform, at all events that it will be forced to do so, and the cry now is that the currency question is such a great and complicated one that it will be folly to undertake more than a partial reformation of some of the worst features of the present monetary laws.

One of the suggestions is that Congress shall confine itself to passing a law repealing the present provision by which the Secretary of the Treasury is compelled to keep the present amount of legal-tender notes outstanding. The Act of May 31, 1878, forbids the cancellation or retirement of legal-tender notes after that date, at which time the aggregate amount outstanding was $346,681,016. The same law requires that "when any of the said notes may be redeemed or be received into the Treasury under any law from any source whatever and shall belong to the United States, they shall not be retired, cancelled or destroyed, but they shall be reissued and paid out again and kept in circulation." The repeal of this law would permit the Secretary of the Treasury to cancel and destroy legal-tender notes as they were redeemed out of the gold reserve and so break the "endless chain," as it has been called, by which in times of distrust the gold reserve has been again and again depleted.

There is no doubt that if this law were repealed that it would be in the power of the Secretary of the Treasury gradually to retire and cancel all the United States notes, or to pay them out only in exchange for gold coin, and by this latter course he would in time convert the legal-tender issues into gold certificates.

The proposition to repeal the Act of May 31, 1878, sounds like a very simple remedy for all our financial woes. But it will be found when such a measure is introduced that the whole currency discussion will be precipitated. To repeal this law without taking other features of the monetary system into consideration would expose the country to the danger of a change to the silver basis. Silver dollars and certificates amounting to $452,713,792 form a part of our currency, and this money is kept at a parity by the circulation of the legal-tender and Treasury notes. The latter notes are also the basis of gold redemption of about 200 millions of National bank notes.

If, therefore, legal-tender notes were retired and cancelled, there would come a time when gold could no longer be procured for silver dollars and certificates, nor even for National bank notes. If the legal-tender notes were not cancelled but reissued only for gold coin, then it would still be uncertain whether a sufficient amount to serve the purpose of maintaining silver dollars and certificates at the gold par, and to redeem National bank notes, will remain in circulation.

It is doubtful in fact whether parties having the gold would, except in certain conditions of the money market, see any advantage in exchanging the gold for the notes. So redundant is the money of the country that greenbacks would long ago have been retired if they had not been continually forced into circulation by the Act of May 31, 1878.

It would be highly dangerous therefore to repeal this law without paying attention to other features of the monetary situation. Some provision would have to be made for silver dollars and silver certificates and for securing redemption of National bank notes in gold.

In fact, though the present monetary system may be a patchwork, it is one that has been pieced together with a great deal of ingenuity. The object in view has been to prevent any lapse from the gold standard while yielding to political necessity and permitting large issues of silver coin containing less than its nominal value in bullion. The patchwork holds together very well in ordinary times, resting primarily on the gold reserve. But for such solidity as it has, like all patchworks, it depends upon the support of all its parts. Try to tamper with or remove one part or to brace it in a different position, and the whole fabric trembles. The monetary question is one and if there is to be reform it must be handled as a whole. But for this reason there can be but one result; if Congress takes up any part of the subject it will find the whole of it must be considered.

There are already several bills and measures which have been prepared and elaborated by Representatives which they will no doubt insist on bringing before their fellows. Secretary GAGE has a plan which is comprehensive in its scope, and the Monetary Commission is also preparing an exhaustive plan for reform. All of these plans take into consideration the banking interests of the country. In fact a consideration of the banking laws is inseparable from any discussion of the monetary question.

The prospect, therefore, is so certain that currency reform will occupy the attention of Congress for most of the present session, that it behooves all those who are interested in this subject to prepare to bend all the forces of popular opinion in the right direction. It was by the force of popular demand that the repeal of the silver purchase law was wrung from an unwilling Senate. There seems to be no dispute that the passage of a comprehensive currency measure by the House of Representatives is not only possible but probable. There is more uncertainty about the Senate. But the Senate is not nearly so unpromising a factor as it was when President CLEVELAND in 1893 called an extra session to repeal the silver purchase Act of 1890.

Among the large number of plans which have been proposed, it is impossible that any one will be adopted as a whole. Most of the prominent plans agree upon the principle of sooner or later devolving on the banks the issue of the paper currency of the country. Most of them are weakest in their treatment of the silver dollar and the silver certificate. But in the close scrutiny of the legislative process, all defects will be discovered and remedied.

EXPERT OPINION ON MONETARY REFORM has been called out in copious measure by the interrogatories propounded by the Monetary Commission. Among the replies that have been given publicity are the plans of ex-Governor MERRIAM of Minnesota, of G. G. WILLIAMS, Esq., President of the Chemical National Bank of New York city, and of Prof. F. W. TAUSSIG of Harvard University.

These gentlemen appear to agree upon the necessity of retiring the legal-tender notes of the Government—legal tenders of 1862 and Treasury notes of 1890—in whole or in part.

Gov. MERRIAM would get the greenbacks out of circulation by requiring the banks to deposit them with the Treasurer of the United States, as security for circulation, instead of all bonds as now. Just what percentage of greenbacks are to be deposited, in proportion to circulation issued, he proposes to leave to future expert investigation, but his idea would be to make the percentage large enough to lock up substantially all the greenbacks now out. He would tax the bank circulation sufficiently to insure their calling in any redundancy, but not enough to prevent its being issued in accordance with the demands of trade. In order to leave sufficient field for the circulation of silver certificates and silver dollars, he would confine the issues of National bank notes and such legal-tender notes as still remained in circulation to denominations of ten dollars and upward.

The feature of Governor MERRIAM'S plan to lock up the legal-tender notes by using them as security for National bank currency was first suggested by BRADFORD RHODES, editor of the BANKERS' MAGAZINE, in an address before the convention of the American Bankers' Association at Baltimore in October, 1894, and can be found on pages 105–109 of the published proceedings of the convention of that date.

This plan of retiring legal-tender notes by using them instead of bonds as a basis for National bank circulation was subsequently recommended by Mr. CARLISLE, Secretary of the Treasury, in his Annual Report in December, 1894. Since its suggestion by Mr. RHODES it has also been embodied in a number of other plans, under various modifications and disguises. It is probably the simplest and cheapest way of retiring the legal-tender notes from circulation and securing their final cancellation that has yet been proposed.

Mr. WILLIAMS' suggestions to the Commission consist of a declaration to be made by Congress that the word coin in all United States bonds means "gold," or to authorize an issue of new bonds payable in gold, bearing two and a half per cent. interest, into which all other issues of the United States may be funded. The new bonds being used as a basis for National bank circulation, the banks being required to redeem their notes in gold. Mr. WILLIAMS would convert immediately $46,000,000 of the present legal-tender notes into the proposed two and a half per cent. bonds, and cancel the notes. He would then issue an additional $200,000,000 of short bonds at one per cent. interchangeable with legal-tender notes at any time. These short bonds the banks can hold as reserves, and they are fundable into two and a half per cent. bonds, after one year in the discretion of the Secretary in amounts not to exceed $50,000,000 annually. The gist of his plan however is to retain $100,000,000 of legal-tender notes in circulation, and to back them up with a gold reserve of equal amount, thus rendering them practically gold certificates. His object is to maintain at all times the parity of the silver certificates and silver dollars, and to strengthen the means of so doing, in addition to the $100,000,000 in legal-tenders protected by an equal amount of gold, he suggests that the Secretary of the Treasury be given power to issue $200,000,000 in exchequer bills.

Mr. WILLIAMS, who in practical shrewdness and banking experience is second to no one in the United States, plainly recognizes the chief danger in the retirement of the legal-tender notes. Desirable as this retirement is, Congress must look to it that the removal of one evil does not give rise to another. In successfully maintaining the parity of the immense amount of silver money which has been put in circulation under the laws of 1878 and 1890, the legal-tender notes have been the prominent factor. This parity has been maintained thus far because the holders of the silver dollars and silver certificates have been able to convert them into gold whenever necessary by deposit in the banks. The banks have been able to give their customers a form of money convertible into gold for one that was not so convertible. The legal-tender notes are this convertible form of money. If they were suddenly retired without any corresponding convertible gold money taking their place, the basis of gold support that now upholds silver dollars and certificates would be gone, and there would be great danger that the silver money would sink to its bullion value, causing a widespread monetary crisis.

Under Gov. MERRIAM'S plan the support of the silver currency is provided for by the issue of bank notes redeemable in gold as fast as the legal-tender notes are retired or locked up. Under the present law not a National bank note is redeemable in gold. These notes when presented at the banks or at the redemption agency are fully paid by redemption in legal-tender notes. There is of course no law forbidding a bank from making payment in gold or silver coin, but there is no law requiring them to do so.

On the retirement of the legal-tender notes, unless the law now extant relative to the redemption of National bank notes be changed, the banks can redeem their notes in silver dollars, and these notes would then be on a par with silver certificates. In fact if the National banks to-day should see fit to tender payment for their notes in silver dollars and refuse to give any other form of money, they would be strictly within the law. But for their own credit and the credit of the country, the banks have never taken this course. But a sudden retirement of the legal-tender notes, without the substitution of bank notes made by law payable in gold, would at once force the banks to redeem their present circulation in silver.

There is therefore danger in any plan for retiring the legal-tender notes that does not at the same time provide for maintaining the parity of the silver dollars and silver certificates.

Mr. WILLIAMS recognizes this danger, and in his plan it is most amply provided for. But perhaps he goes further than is necessary and by his too liberal provision for the issue of bonds will rouse opposition because of the undue expense in interest to the Government.

The same object may be accomplished without the issue of bonds, by the use of the greenbacks as security for National bank notes. The bank notes however must be issued as the greenbacks are retired, and they must be redeemable in gold by specific law, such redemption in gold being assured by ample gold reserves. In such case the holders of silver certificates who require gold can procure bank notes exchangeable for gold coin with greater ease than they can obtain legal-tender notes now.

But notwithstanding that Mr. WILLIAMS' plan is objectionable for the same reason that any bond plan is objectionable, it is a good practicable plan which if put in operation would place the currency of the country on a sound basis. It is especially valuable in that, emanating from a man whose opinions carry so much weight, it calls attention to the urgent necessity for the maintenance of the parity of the silver currency of the country, dollars and certificates.

The suggestions of Prof. F. W. TAUSSIG consist in the gradual retirement of the legal-tender notes (old and new) by the use of surplus revenues raised by taxation. As these notes were thus retired he would provide for the issue of bank notes on some such principle as that of the Resumption Act of 1875 by which four dollars in legal-tender notes were to be retired for every five dollars of fresh bank notes issued. In the transition period, Prof. TAUSSIG suggests that the Treasury Department should be supplied with an ample reserve of gold coin ($150,000,000) for exchanging gold for notes and notes for gold. There seems to be a lapse in the continuity of this plan, for there is no suggestion as to how the bank notes are to be issued, whether on a basis of bonds, or on some other security, or upon the general assets of the banks.

Under the present law there would be no sufficient inducement to issue notes to cause the retirement of the legal-tender notes. Without some sufficient impulse to cause increased issues of bank notes, a gold reserve of $150,000,000 would merely tend to the perpetuation of Government notes.

The inferiority of this plan in this respect to that providing for the use of the legal-tender notes as security for bank notes is at once apparent. The legal tenders would be sent into the Treasury by the banks, who would receive bank notes to issue in place thereof at the rate of $130 in notes for every $100 of legal tenders deposited. The process would be a gradual one, and yet it would be sufficiently rapid to call in most of the legal-tender notes within a year or less after the process had commenced. When the legal tenders were locked up there would be no further need of a large gold reserve. Most of that now held by the Treasury would pass into the hands of the banks to be held as reserves for their own notes. The Government need keep no more gold than might be required from time to time to redeem the notes of failed or liquidating banks. In fact under this plan of exchange the banks within a very short time will be carrying the whole burden of maintaining the gold standard now borne by the Treasury.

Professor TAUSSIG thinks the United States can maintain the silver dollars and certificates now in circulation at par without any direct redemption in gold. He does not think there is danger from this source to be guarded against as does Mr. WILLIAMS. But on this point it is probable that the current of opinion will be in favor of the views held by Mr. WILLIAMS.

The great mass of silver currency has been maintained at a parity hitherto not by any Government action, but simply by the natural operation of the financial machinery of the country, working through the banks and the clearing-houses. The banks have been constantly in touch with business demands, they have known how much gold was needed for foreign trade and domestic hoarding. They have felt the demand on one side and have known the supply on the other. They have taken silver dollars and certificates on deposit. They have supplied gold funds and found a market for silver funds. They have done this when the Treasury controlled the principal supply of gold, and when by its lack of adaptability to business conditions such control was a vexatious problem to the business world.

If the whole business of taking care of the necessary gold stock were in the hands of the banks their task would be easier than when they have to watch and protect themselves from the clumsy movements of the Treasury colossus.

Professor TAUSSIG would also encourage the circulation of gold coin in denominations of five and ten dollars, and to do this would restrict bank notes to denominations of twenty dollars and over and silver certificates to less than five dollars. This would in the end virtually drive paper out of circulation in denominations of less than twenty dollars, as silver dollars themselves would be better for circulation than small certificates.

The maintenance of the silver circulation of the country, now amounting to about $500,000,000, at par in gold will always be a tremendous task whether undertaken by the Government or by the banks. In times of panic or financial crisis this silver will always be a threat to the credit of the country and the gold standard. It would be much better gradually to sell this silver at the market price and thus establish a gold reserve to redeem what is left. It would be better for the Government, the people and the country to lose whatever the cost of getting rid of at least $250,000,000 of this silver might prove to be.

THE LATEST BANK CONSOLIDATION—that of the Western National and the United States National banks of New York—is a further indication of the advantage of the concentration of business in the great financial centre of the country. The example of the National City Bank, which by the absorption of the Third National at once obtained the largest line of deposits in the city, appears to have borne fruit.

The Western National, with nearly nineteen millions of deposits, will by this consolidation increase its line to about twenty-six millions and thus place itself in rank in this respect among the ten largest institutions in the New York Clearing-House Association.

The National City Bank, by obtaining a great lead over all its other associates, has placed itself in a very influential position that will cause it to be looked to in all large Government transactions. It has recently become the distributing depository for the money paid over to the Government by the Union Pacific Railroad.

The growth of New York as a financial centre will cause a demand for several institutions able to command means equal to those now wielded by the National City. The talk that arises periodically about the organization of an international bank to afford facilities for carrying on trade with foreign nations and especially with those of the Western continent, has been due to the comparatively small rank of each of the separate banks composing the New York Clearing-House Association as compared with banks in England and other commercial nations.

It is not very probable that an international bank will be authorized by Congress. But the demand for facilities in large transactions will, as the financial capabilities of the Greater New York are developed, result in the formation of larger banks, perhaps as new institutions, but more probably from the consolidation of those already existing.

THE REPORT OF THE COMMISSIONERS appointed by the President to take steps towards an international monetary conference shows that the negotiations were unsuccessful chiefly on account of the attitude of the Indian Government, which did not think that an agreement between France and the United States unassisted by other nations would be a sufficient guarantee of the successful raising of the price of silver. The Indian Government suggested that if the experiment should prove a failure, both France and the United States, having large stocks of gold on hand, could still save themselves from any crushing disaster, but that the case was otherwise with India.

The Indian Government does not however absolutely refuse to open their mints to silver in case an international agreement in reference to that metal is entered into by a sufficient number of influential nations. But whatever hope this holds out for bimetallists must be very slight indeed, as the United States commissioners in the course of their negotiations have pretty well proven that there are no European nations except France that hold out any encouragement.

THE COMMITTEE OF THE INDIANAPOLIS MONETARY CONFERENCE appears to have gone to work in earnest to accomplish the ends proposed by the delegates to that conference. These delegates represented the business men of the United States, those on whose shoulders rests the greater part of the weight and responsibility of developing the resources of the country. They did not come, as has been falsely represented, to any great extent from the banks and financial institutions. They represented the chambers of commerce, the boards of trade and the large trading and manufacturing interests. These men well knew the losses that have been undergone by the business interests through a vicious system of monetary laws. They appreciate better than any other class the great resources of the country and the necessity of their further development in order to restore the prosperity which was destroyed by the financial crisis of 1893.

The meeting of the convention at Indianapolis, the interest it excited throughout the land, indicated the strong belief among the people best able to judge that the disasters of the panic year were the culmination of a gradual break down of faith in the wisdom of the policy of the Government in making since 1878 so many sacrifices in the vain endeavor to sustain the market price of silver. They recognized that the benefit that might under this short-sighted policy accrue to those engaged in the comparatively limited industry of mining was of little account compared with the disaster and destruction brought on all other industries.

And there is no comfort in the retrospect of the financial events occurring since the resumption of specie payments in 1879. If resumption could have taken place without the passage of the Act of 1878 authorizing the coinage of the silver dollar, the United States would have found itself on the gold standard with an ample stock of gold to have sustained the existing paper currency, legal-tender and National bank notes. If it had not been for the apprehensions aroused by the inauguration of the policy of sustaining silver, the stock of gold in the country would have sustained still further issues of paper on a gold basis, at least enough more to have quieted any alarm that might have arisen from anticipated contraction of the currency. This additional paper could have been obtained by improvements in the banking system. The silver dollars and silver certificates, as year by year they increased in volume, imposed a much heavier weight upon the gold reserves, public and private, than would an issue of bank notes of equal amount.

Of course it may be said that the contraction of the Government debt precluded any great increase of the National bank currency, but if there had been necessity for such increase it would have been easy to provide a safe and satisfactory method for its realization. The necessity was taken away by the rise in the flood of silver money. The gold reserves also were rendered unstable, and from this instability of the gold reserves have arisen most of the financial crises, panics and stringencies that the country has encountered since 1879.

This instability has been due to the doubt about the standard of value arising from the existence of two forms of legal-tender money, one gold the other silver, which our financial laws have put out without any other bond of union than a merely theoretical guarantee. There is no means provided for the Government itself to effect the interchange of one with the other. This important function is left to the business men and financial institutions. When the country is prosperous, the weight of this task, though heavy, can be borne without complaint, but let there be any fluctuation or change in business conditions and the business world loses heart and the gold standard can only be maintained with the greatest effort and sacrifice.

The fact that the commercial community has not utterly collapsed during the last four years, and that notwithstanding all obstacles business seems to be reviving, is not any proof of the improvement of currency conditions, but of the extraordinary resources and vitality of the people. This apparent improvement of business conditions should not be permitted to interfere with the energetic work of the Monetary Commission. The evils it was formed to allay and eradicate are as real and as active as ever. Before the great efforts and energetic enterprise of the people, the dragon is withdrawing itself temporarily to his cave. But the monster is just as ready to reissue and exert its influence on the least sign of cessation of effort. With this monster always on the alert to cloud with its wings of financial doubt the most promising outlooks for the future, the American people can never expect any real period of rest, in which they may quietly enjoy the results of their zeal and industry. It is the duty of the Commission and much more the duty of Congress to drag this dragon from his cave and allow him no refuge until he is utterly destroyed. The task is not an easy one.

The responsibility of the situation lies with the people of the country themselves. They have been drugged and dazed with this silver agitation until only a course of the most earnest reform can bring them back to a healthy frame of mind. They are like the drunkard or the opium eater, who rushes to the physician and the gold cure when he begins to feel the lethic effects of the alcohol or drug. The least return of vitality is apt to send him back to the wonted dissipation.

This attitude of the people is more or less reflected in Congress. The Commission and the executive committee must therefore conduct their operations with a view of influencing the minds of the people, through Congress, and also with a view of seizing the healthful manifestations of the popular mind as a lever to move the inertia of Congress.

In preparing a plan and bringing it into the channels of legislative process, the committee will stir up and promote the discussions in Congress, which will react upon and tend to increase correct views of financial matters among those upon whom Congressmen depend for their positions of influence.

The plan to be suggested is important, but it is not so important as that this plan shall be conspicuously brought into the Congressional arena and conspicuously and thoroughly discussed. The committee's task has really only just begun when the plan is evolved. No one can expect that any plan will enter the Congressional mill and go through all the processes without encountering vexatious delays. "He that will have a cake out of the wheat must needs tarry the grinding, and the bolting and the leavening and the kneading, the making of the cake, the heating of the oven, and the baking and the cooling too, or you may chance to burn your lips." The committee must be ready to go before the proper Congressional committees, to work with individual Congressmen, to meet objections, to countermine the intrigues of opponents, to watch at all times, to prepare amendments, to yield unessential points, to prepare arguments, to have ready precedents and examples and facts, to be brought forward at the most telling moment, to be willing to accept useful suggestions, to use the arts of diplomacy with those whose support is required, to palliate and soothe jealousies; and in fact to be prepared to exert all the forces in behalf of a measure for the public good that are exerted by those who work effectually, but less creditably, in behalf of measures to advance private or class interests. There is in fact no other practicable way. Thus far they should go in dealing with Congress directly.

On the other hand the committee should publish and distribute widely through the press, and by means of pamphlets, the whole course of the discussion and the proceedings at every stage. The interest of the people throughout the land should be excited, so that they will keep track with eagerness of every step taken and know just where the measure is during its course through Congress. When it is introduced and referred, and during the various stages of its course through the committee, the hearings and arguments and discussions in the committee should be noted and the significance of each step elaborated and dwelt upon. Its place on the calendar should be kept in sight and its relations to other legislation carefully watched so that it cannot be overslaughed or shelved at critical times. All other financial measures should also be kept in sight and their inter-relations as plainly portrayed as the places of the trains on a great railroad are shown on the switch-board.

The members of Congress whose opposition or indifference or jealousy is to be feared should be influenced not only by bringing the local influences of Washington, but also what is perhaps of more importance, the influences of their own districts to bear upon them. Every Congressman can be moved by touching upon circumstances that may have weight for or against his own re-election.

If the business community is really interested in supporting the committee chosen by the Commission, elected by their delegates to effect what will in the end restore a permanent prosperity to all trades and industries, there should be no difficulty in securing the co-operation necessary to prosecute such a campaign as above outlined to a successful conclusion.

THE ISSUE OF STATE BANK NOTES is proposed in a bill introduced in the Legislature of Georgia. The notes are to be a first lien upon the assets of the bank and the stockholders are further liable for them to the face value of their stock. Notes are to be issued to the extent of seventy-five per cent. of a bank's capital.

Of course the author of the bill is aware of the ten per cent. Federal tax upon notes of State banks paid out, but he expects that any bank availing itself of the provisions of the Act will pay the tax under protest. The Attorney-General of the State is then to be called on to make a case before the United States Supreme Court to test the constitutionality of the Federal law taxing such notes.

The Act imposing this tax has already been passed on by the Supreme Court in the case of *Veazie Bank* vs. *Fenno* and it was in that case decided to be constitutional. The fact that the court of highest resort has in certain cases reversed former decisions is no doubt the ground of hope that the banks of Georgia may possibly obtain a favorable decision.

The *personnel* of the court has been greatly changed since the former decision as well as the circumstances surrounding. When this decision was made the National system was still struggling for its existence, and it was for the interest of the Government to suppress the existing State bank circulation so as to afford a field for that of the National banks and by the increase of the National bank circulation to provide a market for Government bonds. Now, however, the National banks find very little profit in circulation and the Government does not depend on their assistance for creating a demand for its bonds.

If other currency matters were settled and the gold standard firmly established there would be more than a fighting chance that the Supreme Court might reverse its former decision and hold the ten per cent. tax to be unconstitutional. But while so many schemes of currency reform are being pressed, and the particular line to be followed in settling the problem so much in doubt, when it as yet highly probable that the National banks may be needed in the solution of the question, it seems rather unwise to seek to induce the Supreme Court to take so exceptional if not unprecedented a step as to reverse a former decision. The court would probably hesitate to do so as long as the whole question of the currency is liable to engage the attention of Congress.

SOUTHERN BANKERS are taking an active interest in the work of currency reform, as evidenced by the action taken at a meeting of the Atlanta Clearing-House Association on Nov. 29, every bank in the city being represented. It was decided to call a meeting of the bankers throughout the South to assemble in Atlanta on Dec. 15, to consider the question of currency reform.

The following resolution was unanimously adopted:

> "That the time has arrived for the South to demand of Congress better banking facilities under a just and equitable Federal law. That the United States Government should retire from the banking business, and the whole system of national finances be readjusted on such a sound and scientific basis as will give each section of our common country a circulating medium adequate to its business and based upon its commercial assets. That noteholders and general creditors should be protected under Federal laws, and that the measure of value should be so definitely and permanently settled as to make all our currency, paper and specie, good in any part of the world. That there should be no discrimination between State and National banks, the former to have the same privileges of note issue as the latter, but under Federal supervision."

This is a most hopeful sign. A reformation of the currency that would include a positive statutory definition of the standard of value, and that would permit State and National banks, under wise Federal laws and careful supervision, to use their credit by issuing notes redeemable in gold coin, would be a satisfactory termination of the currency controversy. The Southern banks are working along the right line, and the banks and other business institutions all over the country should take up the work they have initiated.

REVIVAL OF STATE BANK NOTES.

It is highly probable that while the currency is being considered in Congress this winter a strong effort will be made in behalf of State bank notes.

The agitation in favor of the repeal of the ten per cent. tax on State bank circulation has always received its strongest support in the South, but there is little doubt that the same conditions which cause the agitation in its favor in that section also prevail in other parts of the country where the development in credit is in a similar stage, and that if there was any prospect of success in repealing the tax mentioned, much support would be received by the Southern members of Congress who advocated it.

It is not the proper use of a State bank currency that arouses opposition in the wealthier portions of the country; it is the fear of the abuse of the privilege if it were regained by the State banks by the removal of the tax.

But whatever may be thought of the repeal of the ten per cent. tax, were Government notes retired and the gold standard firmly established, the repeal would be suicidal while the disposition to be made of legal-tender notes, Treasury notes and silver certificates is permitted to remain in doubt.

If State bank notes were issued under present conditions, they would be redeemable in the existing current money most easily procurable in the region where the issuing bank was located. Probably the larger portion of the redemptions would be made in silver dollars, and in this event State bank notes would be another addition to that portion of our currency the redemption of which at all times in gold is the subject of doubt.

But were the legal-tender and Treasury notes retired and a Government guarantee of the redemption of silver dollars in gold under appropriate conditions adopted, in that event the State bank notes would not further threaten the gold standard.

Apart from all other considerations and objections to the return to a State bank currency, it is no doubt true that politically it would be easier to obtain support for the retirement of Government notes and the establishment of the gold standard by a compromise with the open and yet unavowed friends of State bank notes, than in almost any other way. This would involve of course the retirement of the present National bank currency, not necessarily by law but by the logic of events. For if the ten per cent. tax were repealed, the greater part if not all of the present National banks would become State banks in order to avail themselves of the advantages of the repeal.

The argument in favor of State bank notes, simply as a method of utilizing such local credit as may exist in a locality short of capital to develop its resources, is not by any means a weak one. In principle it is mutual association. In every community, however undeveloped, resources exist which can be utilized by the intelligent united action of the inhabitants. There are always leaders among these inhabitants who are looked up to and confided in by the others. This leadership means credit of some species.

If in a district capable of furnishing timber or ores or agricultural products, it is the inhabitants, and especially their natural leaders, who best know the values of the resources. These leaders may not have sufficient credit, outside of their own district, to insure the loaning of outside capital to get the products into tangible shape. If they were not hampered however by the prohibition against the use of their credit with their own people in the form of notes, men of honesty and standing could organize a local system of productive industry fitted to the natural resources of the place more easily and less expensively than they now can when they have to make a start by bringing in scanty supplies of foreign capital at rates of interest which prove too burdensome.

By organizing a State bank such men form a center of credit. By issuing notes on this credit they supply a temporary capital through the use of which, commensurate to the local circumstances, the local energies are put in operation and products fitted for market. The notes return to the bank in the form of deposits, or continue in circulation until the products are sold and the proceeds received and used to retire the notes. Under honest and really competent management there can be no danger of loss, and the whole wealth of the district is augmented, its credit increased both at home and abroad.

The danger of course lurks in the very facility with which this process could be carried on, in too sanguine estimates of the products to be obtained, in too rose-colored a view of the producers dealt with and in bad judgment in regard to prices and markets. Theoretically this argument is strong.

The process was tried in many States in the South and other parts of the country in the old State bank period from 1800 to 1860. Practically until the States taught by experience passed restrictive and precautionary laws controlling the banking business, there were great losses to the people from too sanguine views of the bank managers and from dishonesty of management. But probably to-day in most States the legislatures would endeavor to guard against these dangers.

Under the law as it now is, the State bank formed in a new locality has to look to other localities for the capital which, if notes were permitted, it might replace by its own credit. Whether it gets all it wants depends on the rather imperfect knowledge of the outside capitalist as to the resources of the district where the money is to be lent. Banks in centers in a State where capital is abundant might by establishing branches obviate the dangers that a purely local bank is liable to. Some of the most successful of the old State bank systems in the earliest days of State banking were those on the principle of a central State bank with branches, as the Ohio and Indiana State banks. But there were also State banks with branches that were great failures, in Kentucky, Tennessee, Mississippi and other States.

Success or failure under any system seems to be, after all, a matter of management and experience. If good management and experience are as a general thing insured by law, the particular system adopted, whether it be a branch system or one of separate local banks, does not seem to make any great difference. A bank in any locality, which with larger institutions at the centres, from which capital is furnished, has the reputation of being in the hands of honest and experienced managers, it probably could furnish as effectual banking facilities in its own district as if it were a branch bank.

Assuming therefore that before repealing the ten per cent. tax on State bank circulation the Federal Government shall require that there be a State banking law having certain features and restrictions protecting deposits and note issues under which all banks must do business, and reserving the right by executive decree to impose the tax again in any State where the law was imperfect or insufficiently enforced, the repeal might become less dangerous than it now appears. Or retaining the ten per cent. tax, the Federal Congress, by simplifying the present National bank laws, might allow the issue of notes to all State banks that came under its provisions in such a manner as would allow as much latitude as could reasonably be expected under any State banking law.

The latter expedient would have the advantage of avoiding any shadow of conflict between Federal and State law, and the further advantage of homogenity in all the notes and of uniform supervision of the management of each bank from the centre of government.

The chief object is to win the support of those sections of the country, where a demand for increased banking facilities is the main cause of currency agitation, for plans for reforming the present system of Government notes and maintenance of the gold standard. Many think this can be done, either by encouraging State banks or by improving National banks so that they will satisfactorily perform the functions which their admirers think the untrammeled State bank would perform.

The way to do it is not so easy to hit upon. The National banking party would oppose any measure looking to reinstating State bank notes without doing anything for the National banks, and on the other hand the State bank party will resist any measure that seems to ignore their demands. It is only by a blending of advantage to both in one system that the support of both State bank and National bank advocates can be secured.

But it is believed that this can be done in a Federal law that will permit certain latitude in the issue of bank notes to all institutions that come under it, that does not require too great a capitalization and that will permit the taking of real estate security on broader conditions.

Whether such a measure as will unite all the banking capital and banking interests in its favor can be devised or not, if it could be it is highly probable that support could then be secured with less difficulty for a measure retiring Government demand notes, and placing the existing silver money where there never could arise any doubt as to its convertibility into gold.

AMERICAN TRADE IN VENEZUELA.—From the December advance sheets of the Consular Reports the following is taken in regard to American enterprise and trade in Venezuela :

"Our trade with this country is greatly hampered by the absence of American houses, banks, etc. It is almost needless to say that all large houses have their American connections, but it is obvious that this does not supply the place of intercommunication between American houses in the United States and their branches here. The currency is practically upon a gold basis, silver and gold being interchangeable. The issuance of paper money by the Government being still inhibited, the only notes that circulate are those of the Bank of Venezuela and Bank of Caracas, confined to local use, but preferred in ordinary transactions to gold on account of convenience and the high credit of the banks. The gold coins are 20, 25, and 100 bolivars; silver, one-fourth bolivar, one-half bolivar, 1, 2, 2½, and 5 bolivars. The value of a bolivar in United States currency is 19.3 cents."

FOREIGN BANKING AND FINANCE.

State of the British Banks.

A careful review of the development of the British joint-stock and private banks during the year ending with October, 1897, is presented in the London "Economist" of October 16. The number of English banks has been reduced by a series of amalgamations between joint-stock banks and the gradual absorption of small private banks. The process of consolidation has not curtailed banking facilities but has been accompanied by an extension of branch banks.

The paid-up capital of the joint-stock banks declined £355,000 during the year, and now stands at £75,886,000. Banks have been organized with capital of £400,000, but five banks with an aggregate capital of about £760,000 have been absorbed by others without increase of capital.

In addition to the paid-up capital the joint-stock banks hold reserves to the amount of £39,112,000, the combined capital and reserves aggregating £115,000,000. If to this is added the £8,600,000 of capital and reserves belonging to the twenty-six private banks which publish their accounts, and £3,400,000 is allowed for private banks which do not publish accounts, a total is obtained of about £127,000,000 as the aggregate of proprietors' capital, which is employed by all the banks of the United Kingdom.

One of the striking features of the year has been the appreciation which has taken place in the market value of bank shares. The total increase in market value upon a diminished capital is nearly £10,000,000, and the present valuation is £233,302,000. The average premium above par value is 225 per cent. for the the English banks as against 210 per cent. a year ago, and 176 per cent. in October, 1887. The percentages for the United Kingdom are 222 at the present time, against 207 a year ago, and 168 per cent. in 1887.

The total amount of the deposit and current accounts of the joint-stock banks, according to their last published statements, differs only very slightly from that recorded twelve months ago. It is now £708,500,000, and it was then £707,000,000. In the interval, however, the deposits of the Bank of England have been reduced by about £8,750,000, so that if the Bank of England is left out of account there is an increase in the total for all the other joint-stock banks of the Kingdom of about £10,250,000. To this increase the London banks with country branches contributed fully £7,000,000, and the Scotch banks about £1,500,000, while there was no appreciable movement in the deposits of the Irish banks.

The assets of the banks are not capable of accurate classification because of the different methods of reporting them. A rough separation of the items, however, shows that the cash in hand, and money at call and short notice on June 30, 1897, was £124,000,000; investments, £118,426,000; discounts and advances, £340,856,000; miscellaneous, £21,595,000; making a total of £604,-877,000. The total a year earlier was £600,791,000, of which £124,736,000 was cash in hand and money at call. The "Economist" declares that this decline of cash in hand, "though slight, is not a satisfactory feature in view of the augmented liabilities of the banks. It means that the banks are keeping proportionately smaller cash reserves than they formerly did, and that is to be deprecated."

The Imperial Bank of Germany.

Hostility to the existing structure of the Imperial Bank of Germany seems to be making headway among certain classes there. The Berlin correspondent of "*L'Economiste Européen*," in the issue of October 22, says:

"The manufacturers, who naturally seek remedies for their decline, strongly accuse the Imperial Bank of the burdens which the high rate of discount imposes upon them. The fact that the French producer discounts his paper at two per cent., and the English producer at three per cent., puts the German in a position of inferiority in fighting against foreign competition. These complaints will find an echo at the coming session of the Reichstag, where the agrarians and socialists propose to make furious attacks upon the Imperial Bank and to demand the creation of a bank of state. The political situation is so disturbed, the organization of parties so subordinated to the chances of the moment, that it is impossible to foresee what will be the issue of these debates. But it is certain that the Bank will at least be forced to an increase of its capital. Since the foundation of this financial institution the population of Germany has increased a third, and affairs have attained an extension absolutely unhoped for, so that its capital no longer meets the necessities of the times. Many private banks have a larger capital and yet find it insufficient."

The managers of the Imperial Bank have published an article in one of the semi-official journals in defense of their discount policy. Their argument is that the country is at present more progressive in trade and commerce than either England or France. Consequently there is a more eager demand for money, creating a tendency for rates to rise. Besides, there is at present a larger stock of wealth and money in the other countries named than in Germany, which by the way the article seems to consider as a defect in progress of disappearing. These considerations, it is argued, explain why rates of interest, even in times of plentiful money, are so much higher than in England and France.

French Investments Abroad.

A careful discussion of the volume and character of the foreign securities owned in France forms the twelfth of the important series of papers which M. Edmond Théry has been contributing to his journal, "*L'Economiste Européen.*" The fact that international securities are used so largely for arbitrage and the settlement of international balances makes it difficult, he declares, to arrive at any exact statement of their holdings in France. The fact that nearly all international securities are payable in gold upon several foreign markets at once makes them an international currency of a high order. The coupons of the Russian national debt, for instance, which are payable in francs at Paris, in pounds sterling at London, in florins at Amsterdam, in marks at Berlin, and in metallic rubles at St. Petersburg, make them an international money of the first class, and the great credit societies or banking houses having branches or correspondents in these various cities are able to employ them as genuine bars of gold, according to the respective position of the exchanges between various places.

Notwithstanding these difficulties, M. Théry reviews previous estimates of French investments abroad—that of M. Léon Say in 1875, putting the amount at ten to twelve billions of francs; that of M. Paul Leroy-Beaulieu in 1880, putting the amount at twelve to fifteen billions; and that of M. de Foville in 1888, putting the amount at 18,500,000,000 francs ($3,600,000,000). M. Neymarck made a new estimate in 1888, advancing the amount to 20,000,000,000 francs. M. Neymarck has not since greatly advanced this figure, but M. Théry believes that it should be advanced in view of the increase in the number of foreign negotiable securities quoted officially at Paris from 183 in 1890 to 236 in 1897 and in view of other facts which he cites. Since February, 1893, the official list has been increased by eleven Russian securities, not including the Chinese loan of 1895, and it is not rash to believe that if Frenchmen possessed 5,000,000,000 francs of these securities in 1893 they now possess at least 7,000,000,000 francs.

M. Théry quotes an estimate by M. Raphael-Georges Lévy in the "*Revue des Deux-Mondes*" in March last, estimating at 26,000,000,000 francs ($5,000,000,000) the total of French capital invested abroad. According to this estimate the principal foreign debtors of France are Russia, 6,000,000,000 francs; Spain, 5,000,000,000; Austria-Hungary, 2,000,000,000; Egypt, 1,700,000,000; Italy, 1,500,000,000; Turkey, 1,000,000,000; England and her colonies, 1,000,000,000; Belgium, Switzerland and Holland, 1,000,000,000; gold mines, 800,000,000.

M. Théry, after careful examination of the securities on deposit in the Bank of France and other leading credit societies, expresses the opinion that these figures are close to the truth, but that those for Russia, Austria and Turkey are below the mark while those of Spain are above it.

The British Postal Savings Banks.

The report of the Postmaster-General of Great Britain upon the postal Savings banks for the year ending March 31, 1897, contains some interesting data regarding the growth of the system.

From the official report, as digested by the London "Bankers' Magazine" for November, it appears that the total amount due to depositors on December 31, 1896, was £108,098,641, being an increase during the year of no less than £16,129,666. The number of deposits made during the year was 12,638,307, amounting to £36,258,000, as against 11,384,977 and £32,078,660 in 1895.

Withdrawals aggregated £28,489,329, as against £25,698,296 in 1895. The balance of new accounts opened during 1896 was 408,438, against 344,834 in 1895, and at the end of the year (1896) the total number of accounts was nearly 7,000,000. Of these depositors it is stated that about 60½ per cent. consist of women and children (to what extent such women and children merely occupy the position of nominees to those who wish to put large sums in the Post Office Savings Bank would be a most interesting statement), and the average sum to the credit of each account open at the end of 1896 was £15, 15s. 1d., against £15, 3s. 4d. in 1895.

The sum transferred to the Post Office Savings Bank from Trustee Savings Banks in 1896 was £1,161,794, while the total increase during the year in the amount of deposits held by the Savings Bank is stated to be unparalleled in its history.

The stock investment business of the Post Office Savings Bank shows for the second year in succession an excess of sales over purchases. Investments amounted to 16,912 in number for £967,834, while the sales numbered 15,935 for £1,107,637. The total amount of stock standing to the credit of depositors at the end of 1896 was £6,891,000 in 68,177 accounts. According to the balance-sheet there is an apparent loss on the working of the department during 1896 of about £32,000.

The average number of accounts, the average amounts standing to the depositors' credit, and the average number of Savings bank offices have been as follows:

YEARS.	*Average No. of accounts.*	*Average amt. of deposits.*	*Average balance in each account.*			*Average No. of offices.*
			£.	s.	d.	
1863–1868..	663,000	£7,000,000	11	3	5	3,390
1869–1874	1,373,000	18,000,000	13	5	3	4,498
1875–1880..................	1,889,000	29,000,000	15	12	5	5,742
1881–1885..................	3,088,000	42,000,000	13	11	3	7,348
1886–1890..................	4,248,000	59,000,090	13	16	10	9,025
1891–1894..................	5,607,000	79,000,000	14	2	11	10,730
1895........................	6,454,000	98,000,000	15	3	4	11,518
1896........................	6,866,000	108,000,000	15	14	11	11,867

The Bank of Algeria.

An interesting discussion of the history and present status of the Bank of Algeria is contributed by M. Georges Bourgarel to "*L'Economiste Européen*" of October 15, which has some bearing upon the demand for the extension of agricultural credit in this country. The French Chambers have recently voted a provisional extension of the charter of the Bank of Algeria until October 31, 1899. Some of the shareholders are protesting that their interests are not properly protected under present conditions and M. Bourgarel believes that their position has some justification. The Bank confined itself chiefly to commercial business until after the Arab insurrection, when the capital was raised from 10,000,000 francs to 20,000,000 francs, with the tacit understanding that the activity of the Bank should be extended to agriculture. Algeria at that time was rapidly developing the cultivation of the vine with the view of replacing the diminished products of France after the ravages of the phylloxera. M. Bourgarel says:

> "Great illusions were fostered, and beginning with 1886 the Bank experienced the dangers which agricultural credit offers. There is no need here to recite the facts, but it is known that if the Bank of Algeria has been compelled to pursue the forced realizations which have been the origin of the creation of its land holdings, it has not failed in its mission, and its accounts testify to the aid which it has given to the colony in difficult moments —loans to the departments, loans to the Arabs for seeds, etc., while at the same time it has supported the weight of an exchange which would at that time have been disastrous."

The policy of the Bank in regard to exchange has been maintained at heavy cost, and while its statutes have not imposed this obligation upon the Bank, its management always considered that as a privileged corporation it was bound to pursue a liberal policy toward the Algerian population. Other corporations have entered the Algerian field and have profited in making discounts by the policy of the Bank, since the latter has provided, without a premium, mandates upon the public treasury. The shareholders now desire a thorough reorganization of the Bank upon conditions which do not impose such heavy burdens or its liquidation and the creation of a new institution.

Financial Control in Greece.

The project for the control of the Greek finances by the leading European powers is assuming definite shape. The six leading powers have assumed authority to each name a controller, subject to the approval of the King, but his delay to act will be considered as confirmation. This commission of control, with each member appointed for five years, will make all the appointments of the fiscal service, and will cover its collections into the Society of Monopolies. Any surplus of revenues above the interest upon the foreign loans will be turned over to the Ministry of Finance for paying obligations not yet adjusted. If this payment is delayed, however, the Commission will retain the surplus. Differences arising between the Government and the Commission of Control will be referred to a European publicist designated by one of the powers or to a tribunal of three judges named by the six powers. Differences between the Commission of Control and the Society of Monopolies shall be submitted to the King of the Belgians and the President of the Swiss Confederation. Decisions of the Society of Monopolies are subject to the veto of the members of the Commission of Control. Existing regulations regarding taxation shall remain in force for one year, but modifications shall be prepared by an international financial commission, of which the Greek Government shall have the right to name one member. The places for the payment of interest abroad shall be London, Paris, Berlin, and Frankfort, and these relations shall be carried on through the Commission of Control.

Switzerland and the Latin Union.

The proposition of M. Joos, deputy from Schaffhausen, that the Federal council of Switzerland consider the subject of withdrawing from the Latin Union and refusing currency to over-valued silver coins, is exciting considerable discussion. Critics of the proposition point out that the members of the Union are pledged to redeem their silver coins in gold, if they accumulate excessively in any one country, and that all the members of the Union except Greece are abundantly able to fulfil this engagement. Only a few Greek silver pieces are in circulation in Switzerland.

M. Hauser, a member of the Federal council, in answering M. Joos, intimated that it was a serious question whether Switzerland could maintain the gold standard with ease if she retired from the Union. He declared:

"We already see the extreme difficulty which the associated Swiss banks have had to procure silver five-franc pieces which they have needed for the redemption of their notes. What is the process? It is this. The banks, with premiums which are not inconsiderable (having exceeded for a long time half of one per cent.) buy checks upon France. These checks are converted into French bank notes, which are exchanged at the Bank of France for silver crowns, which are sent to Switzerland. All this is complicated and very costly. But the Bank of France does not exchange its notes for gold. How then would the Swiss banks proceed to obtain the gold of which they would have need? They would have to pay a premium to French bankers to accumulate twenty-franc pieces on their account or bring bar gold from London and convert it into coin—an operation very costly, and I would even say disastrous for the banks, which would be compelled to maintain at a high point their rate of discount. The financial relations between Switzerland and France are, moreover, so numerous and delicate and go on augmenting by the continual placement of Swiss loans at Paris, that Switzerland could not have a different monetary circulation from that of France. To denounce the convention of the Latin Union would be then, in my opinion, an absolute folly. It would be a rash leap into the unknown."

The French Tax on Securities.

The French Ministry have proposed an increase of tax upon foreign securities held in France, which is proving anything but popular among brokers and investors. The stamp tax upon foreign securities, which was increased two years ago to three times the former amount, is now to be doubled again and to be fixed at one per cent. of the face value. The discussion which took place between M. Cochéry, the Minister of Finance, and a deputation of bankers who called upon him, is thus described by the Paris correspondent of the London "Economist:"

"The replies he made in defense of his scheme to the deputation of bankers have satisfied no one. To the objection of instability he declared that the Government had no future intention of further increasing the stamp duty, but as he could only speak for himself and the present Government, the public have good grounds for mistrust after two successive augmentations of the tax in two years. He defended the increase of the stamp duty on foreign state funds by the example of a like increase in 1864 (abandoned in 1872), but he overlooked the fact that in 1864 the increase only applied to new loans, and had not a retroactive effect, whereas at present the additional half per cent. is to be demanded of all the 13,000 million francs (£520,000,000) of foreign public funds held in France. It is true that a retroactive effect was given to the law of 1895, but as remarked by the financial editor of the '*Temps*,' it does not follow that because justice was violated in 1895 the same may be done a second time, and that the repetition of an error constitutes truth. M. Cochéry was also unfortunate in his observation that his predecessor, as Minister of Finance, had in 1895 demanded the renewal of the stamp duty every five years without the proposal giving rise to any protest. But M. Cochéry, who was then reporter on the 'Budget of Finance,' was opposed to it, and a passage of his report is quoted in which he showed that the interest received on foreign investments compensated for the difference between the imports and exports, and by bringing money into the country or securing a favorable rate of exchange contributed to the national prosperity, adding the words, 'We must avoid everything that would diminish the market for foreign public securities. The importance of that market is an essential element of the public wealth, especially in a country where capital is so abundant as in France.' M. Cochéry made, however, a concession in promising the deputation that the increase in the stamp duty would not be applied to state funds, the market value of which had fallen below one-half their nominal price from a reduction of interest imposed by the borrowing state."

The Latin Union Coinage.

A convention has been signed by the five powers forming the Latin Monetary Union—France, Italy, Belgium, Switzerland and Greece—for extending the limit of coinage of subsidiary silver pieces by the amount of one franc per head. The present limit is six francs per head, but the amount has proved insufficient in several countries and an agreement for an increase of the coinage was proposed by the Federal Council of Switzerland. The agreement will require the ratification of the contracting powers, and it is suggested by M. Edmond Théry in "*L'Economiste Européen*" of November 5 that in France, Switzerland and Italy several deputies will profit by the opportunity to discuss the abandonment of the Latin Union itself, which no longer fulfills the object for which it was created. France will be permitted under the new agreement to include the population of her colonies in her contingent, which will permit of an increase of 130,000,000 francs in the amount of her silver token money.

The new silver is to be coined from the present legal-tender five-franc pieces, the amount of which is considerably greater than required for the circulation, but France is authorized to employ only 127,000,000 of five-franc pieces, and to complete her contingent by purchases of bar silver, the profit of a million and a half francs on which is to serve to recoin light gold and silver, commencing with the gold. The increase of one franc per head will raise the contingent of France from 264,000,000 to 394,000,000, of Italy from 202,000,000 to 232,000,000, of Belgium from 40,000,000 to 46,000,000, and of Switzerland from 25,000,000 to 28,000,000 francs.

Another element of profit in the new coinage, which is of some importance in view of the closeness with which European finance ministers figure their budgets, is the difference in the fineness of the subsidiary coins, which is 0.835, instead of 0.900 as in the case of the five-franc pieces. It is estimated that 117,827,775 francs of the five-franc pieces will be sufficient for the French coinage of 127,000,000 francs in subsidiary silver, leaving a profit of 9,127,225 francs ($1,800,000), subject to the deduction of the cost of coinage. It is suggested that advantage might be taken of the present opportunity to assimilate the standard of all the silver coin, as the reasons for which the fineness of the small coin was reduced nearly seven per cent. in 1866 no longer exist. France has no longer to apprehend an exportation of that coin to neighboring countries, but suffers from an influx of it, and in 1893 had to take measures against Italian small silver coin by withdrawing it from circulation, returning it to Italy, and decreeing that it should cease to be current in France.

The Charter of the Bank of France.

The French Senate has at length voted the new charter of the Bank of France, which was approved by the Chambers on July 1 last. It was high time for action, as the present charter expires on December 31 next. The Senate finally decided, upon the recommendation of its committees, to vote the charter without change as it passed the Chambers.

An interesting report was made by M. Dubost, reviewing the history of the Bank and the necessity of the renewal of the charter. M. Dubost endeavored to point out the great services of all kinds rendered at once to the public and the state by the Bank of France since it was given the exclusive right to issue notes. The features of the debate in the Senate and the conditions of the law renewing the charter as finally enacted are referred to as follows by the Paris correspondent of the "London Economist" in the issue of November 13 :

"The Senate voted last week the Bank of France Renewal Bill, as previously adopted by the Chamber of Deputies. Some amendments were proposed, among others, one to abolish the Treasury agencies in the departments, and charge the Bank of France to perform the services gratuitously at its branches; and another to authorize the Bank to discount six months' bills drawn on foreign countries but payable in France, but neither was adopted. The privilege of the Bank is now renewed for twenty-three years, but may be terminated at the end of fifteen years by a law voted during the session of the year 1911. Among the other principal provisions of the new convention are the payment to the state of an annual sum calculated at one-eighth of the rate of discount on the productive note circulation, but with a minimum of two million francs; the incompatibility of the functions of the Governor, or Deputy-Governor, with those of Senator or Deputy; a permanent advance of 180,000,000 francs ($35,000,000) to the Treasury, including the present credit of

140,000,000 francs without interest; an increase in the number of provincial branches from 94 to 112, independently of the auxiliary bureaus, and the creation of thirty new ones of the latter within two years, and at least one new one every year after 1900, up to a minimum limit of fifteen; an increase in the note circulation from 4,000,000,000 to 5,000,000,000 francs ($1,000,000,000). Should the rate of discount rise above five per cent., one-fourth of the surplus profits are to be added to the reserves of the Bank, and three-fourths to be surrendered to the state."

Banking and Financial Notes.

—The new Government of Spain is facing a serious problem in providing for the continuance of the war in Cuba. It is estimated that more than 300,000,000 pesetas ($60,000,000) are required to settle arrears and to supply the army, but only about 100,000,000 pesetas will be available before January. The Bank of Spain will again be appealed to for temporary advances to the Government and authority will be sought from the Cortes upon its assembling in March for a large loan. No important financial measure will be taken in the meantime, but careful study of ways and means will be made by the ministry.

—An imperial ukase issued at St. Petersburg, Nov. 30, decrees the coinage and issue of five-ruble gold pieces, equal in value to one-third of the imperial (which weighs 12.902 grammes, .900 fine, and consequently contains 11.6118 grammes of fine gold).

Another ukase provides that the inscription on the Russian credit notes be changed to read as follows:

"The State Bank exchanges credit notes against gold coin for an unlimited amount. One ruble is equal to a fifteenth of an imperial, and contains 17.424 doli of pure gold. The exchange of State credit notes against gold coin will be guaranteed by the whole property of the State. State credit notes are to have equal currency with gold coin throughout the Empire."

—September and October were record-breaking months in the production of gold in South Africa. The production of the Witwatersrandt region for September was 262,150 ounces and for October 274,175 ounces. The figures for October show an increase of 12,026 ounces over the preceding month and 74,286 ounces over the corresponding month of 1896. The production of ten months of 1897 has already reached 2,426,838 ounces, or about $72,000,000, while the production for the whole of the calendar year 1896 was only 2,281,874 ounces.

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The Genial Banker.—It has been said that the banker who is "a good fellow" has missed his calling, but this dictum is open to question. The banker who can dismiss an importunate borrower with a smile or a funny story is a master of one of the most difficult arts—how to say "no" gracefully and yet so forcibly as not to permit any reopening of the discussion. Thus the would-be borrower whose credit or collateral will not bear searching inspection is gently put to sleep on a bed of roses, and so charmed is he with the fragrance and beauty of the flowers that he is all unconscious of the thorns that lurk beneath and on which he is destined to be impaled. Let the man of doubtful credit beware of the genial banker, bland of countenance, suave of manner and with voice low and musical. He is an executioner none the less cruel and ruthless though he cuts their heads off with a golden axe.

THE FUTURE OF CANADIAN BANKING.

To deal with a condition of things beyond the limit of indisputable fact savors of the prophetic, and such in a degree it must necessarily be, albeit the evolutions of time, history, and customs studied minutely from a relative and graduated point of view, serve to endow the human mind with power to divine, with reasonable accuracy, the sequence of past and current events. The treatment therefore of banking in relation to the future must needs be an argument founded upon the experiences and vicissitudes of the past, allied with existing circumstances borne along to a logical conclusion. A retrospective glance over the course of our banking history will not be irrelevant to the subject in hand. The Canadian banking system of to-day is the development of economic principles based upon English and Scotch precedent. It more especially resembles the latter, and though not so free from governmental exploits it has proven eminently adaptable to political and geographical environments.

Prior to 1867—the year of Confederation—each province enjoyed a distinct system of banking, moulded to suit the several districts under operation. Although charters were nominally granted by the respective provincial legislatures, they were subject to close inspection and revision by the Colonial Office in London—a precaution which on more than one occasion proved efficacious in curbing reckless colonial legislation. In fact the infusion of the best and most matured features of the parent methods, as a result of such wise supervision, is the keynote of the model system which Canada possesses to-day.

Establishing the Bank Note System.

The uniting of the scattered provinces consummated by the Act of Confederation marks what can rightly be termed the first great epoch of Canadian history from a national standpoint, and in like manner it brought about the grouping of a heterogeneous collection of provincial banking systems into a homogeneous whole governed by a universal law. At this juncture it is interesting to recall the project brought down by the Honorable John Rose, as Minister of Finance in the first Federal Parliament, to deprive the banks of their right to issue notes and to substitute therefor an exclusive Government issue. The debate was long and spirited, but eventually the formidable array of argument adduced by the banks and the press produced its effect upon Parliament and the measure was rejected. There can be no doubt that the defeat of this project, seriously proposed by the Government of the day, was the means of saving the country in after years from a state of things analogous to that with which the United States has been for so long chronically afflicted; viz., a National currency, inflexible and utterly inadequate.

The period between 1867 and 1873 marks an era of progress and activity never before experienced in Canadian history. All branches of trade and agriculture expanded under the pressure of heavy immigration; manufactories were courted by municipalities with promise of large bonuses and exemption from taxation. The opening of the Northwest made heavy demands upon capital and offered exceptional inducements to banks, for which twenty-eight new charters were granted between 1868 and 1874, although of these only nine remained in operation in the last-named year. The evils of over-trading and land speculation precipitated a commercial crisis in 1874–5 and resulted in a wholesale winding up of the weak banks, and a consequent shrinkage of banking capital amounting to $6,500,000. The stronger and solvent banks met the strain without difficulty, and when the tide turned towards the close of 1879 the field was purged of those undesirable quantities, which, though no reflection upon the Canadian banking system, left it cleaner and stronger. The lessons of the depression had their effect upon the Bank Act revision of 1881, which made the bank's notes a first lien upon its assets,* and denied it the right to issue bills under five dollars, a revision which was, strange as it may seem, recommended by the bankers themselves upon the plea that the holders of small notes, being usually of the poorer classes and more susceptible to alarm, might precipitate a "run" on the slightest provocation. The law compelling the holding of forty per cent. of the bank's reserve in Dominion notes was another clause; the form of monthly Government returns was enlarged to such an extent as to remove certain existing ambiguities. The extension of a bank's loaning powers upon warehouse receipts, and the repeal of the privilege of loaning upon another bank's stock were also features of the Act.

With the revival of business and the restoration of public confidence in the country's future, Parliament was besieged with applications for new bank charters, of which it granted no less than thirteen between 1882–6. Only five of these, however, commenced business and two now survive,† incidentally a proof that the country was quite well enough supplied with banking facilities. In 1881 the memorable land boom of the Northwest excited investors, and its collapse in 1882 caused widespread loss, not excepting the banks doing business in the district, although these survived with no more serious results than reduced dividends, and in one or two cases reduced reserves. Between 1883 and 1889 six banks closed their doors as a result of inefficient or corrupt management, and not from any defect in the system under which they operated. In short, it may be said that none of the bank failures recorded since 1867 were due to weakness in the laws, but rather to faults of management or abuse of trusts. The loss to shareholders from all sources since 1867 netted $23,000,000 and to creditors of banks it did not exceed $2,000,000.

The experiences of the decade closed upon the eve of the Bank Act revision of 1890, and while not affecting the principle of banking in Canada, pointed out several defects of detail which were remedied by the passage of the Act. The features of the Act of 1890 related to improvements and safeguards in the note issues of the banks. Although the law making a bank's notes a first charge upon its assets practically insured their ultimate redemption in full, vexatious delays had frequently occurred between the suspension of a bank and the payment of its notes, involving severe loss in discount upon

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* Objection was taken when discussing this provision in Parliament, that such a change would aggravate runs upon a bank, by reason of its converting an ordinary claim into a privileged lien.

† Traders and Western are the survivors. The Bank of London, Central Bank and Commercial Bank of Manitoba have failed.

holders unable to wait for redemption. This defect was ameliorated by the formation of the Bank Circulation Redemption Fund, which guaranteed the payment of all notes of a failed bank within sixty days of its suspension, together with interest at six per cent. from date of failure to date of redemption. The fund is in the custody of the Government and is composed of contributions from each bank of an amount equal to five per cent. of its average yearly circulation, adjusted on July 1 of each year, and bearing three per cent. interest, and is drawn against only in the event of a failed bank's assets proving insufficient to meet its circulation. If the amount so drawn exceeds the contribution to the fund, held on account of the failed bank, the deficiency is supplied by the other banks in proportion to the amount held on their respective accounts. Bank issues prior to the revision of 1890 were subject to discount when circulated in quarters remote from their place of issue. A provision in the new Act requires each bank to establish an agency for the redemption of its notes at the commercial centres of each province.

By the above enactments the note issues were placed upon an indisputably sound basis and moreover acquired a complete national character.

With the exception of the amendments in the Act above referred to, it will be seen that the law governing banking in Canada to-day is practically identical with that which existed immediately after Confederation. Unquestionably, when the question of renewing the bank charters in 1901 is being considered, further amendments and additions will be made in the direction

ASSETS. (Thousands omitted.)

DATE.	*Specie and Government notes.*	*Loans.*	*Bonds, debentures, etc.*	*Total.*
December 30, 1868	$11,820	$57,455	$3,606	$85,192
" 1871	15,657	95,923	1,437	136,016
" 1874	17,073	157,020	1,204	200,905
" 1877	15,024	135,851	2,682	176,364
" 1880	16,485	125,554	2,687	192,537
" 1883	18,402	167,795	2,225	208,198
" 1886	15,297	171,700	7,484	231,310
" 1889	15,085	194,005	8,153	252,166
" 1892	19,102	223,324	18,186	305,720
" 1895	24,202	224,328	23,467	322,184
" 1896	23,819	229,414	25,295	329,698
September 30, 1897	26,836	229,069	30,569	362,274

LIABILITIES. (Thousands omitted.)

DATE.	*Capital.*		*Reserve.**	*Circulation.*	*Public deposits.*	*Total.*
	Authorized.	*Paid-up.*				
December 30, 1868	$41,066	$30,451	......	$10,157	$39,529	$51,008
" 1871	52,113	41,668	......	24,480	59,535	86,484
" 1874	73,566	63,212	......	28,465	85,320	128,090
" 1877	74,266	63,756	......	21,794	71,348	96,976
" 1880	66,766	59,819	......	27,828	90,389	121,471
" 1883	69,396	61,451	$17,457	33,589	107,807	145,812
" 1886	79,579	61,230	17,930	34,578	112,130	150,518
" 1889	75,779	60,289	20,371	33,577	133,974	171,684
" 1892	75,958	61,938	25,086	36,194	177,617	221,567
" 1895	73,458	62,196	27,665	32,565	187,119	235,238
" 1896	72,958	62,513	26,670	33,095	196,630	241,828
September 30, 1897	73,258	62,279	27,224	38,616	211,819	263,446

* Government returns first required in 1883.

of giving the Act even greater efficiency than that which it now enjoys, but in the main it is safe to assume that as the country possesses a system which is thoroughly adequate to its requirements in all respects, the charters will be renewed upon the basis of existing laws. The preceding figures compiled from Government returns of the banks testify to the steady development of the system since Confederation, and it is interesting to observe therein the temporary contraction of assets and liabilities during the period of depression heretofore referred to.

Competition Among Banking Institutions.

It is a palpable truth that banking, like every other branch of commercial activity, has been subjected to its quota of severe competition, the effects of which are yearly more in evidence in the profit and loss sheets of the banks. Competition within reasonable limits is a most beneficial element in banking, but when carried to an extreme its effects are inevitably baneful and result in wholesale disaster to everyone concerned. A trader who is drawn into the vortex of mad competition must in self-defence contract business in which the element of speculation replaces that of prudence. Profits must be maintained at almost any risk and from all sources unreservedly; a bold front is maintained under cover of questionable expedients for meeting obligations, until the strain becomes too strong and a crash at last comes. The position of the bank is almost analogous and although the effects are not yet pronounced a similar cause will slowly but surely produce it. There can be little doubt that the keen competition between banks has stimulated the practice of loaning indiscriminately and has added, in no small degree, to the list of commercial failures in recent years. It is beyond question that the banking interests of the country could be quite as efficiently guarded, and certainly with more profit to those engaged, if there were fewer institutions. The cost of managing a large bank with many branches, covering the same ground as a group of smaller ones, is proportionately less than the aggregate cost of maintaining the latter.

While the banks on the whole have sustained their rates of dividends to shareholders, the total additions to Rest Accounts have shown a gradual falling off since 1891. The universal depression of 1893-4 is to a great extent responsible for this diminution of surplus profits, but other causes have also contributed to the falling off.

The period between 1880–5, being one of such prosperity, created a demand for capital to float new enterprises, which is strongly apparent in the relative totals of deposits and loans.

During the next five years a more normal state of trade existed, and the savings of the people show a further increase, although still insufficient to meet the demands of expanding trade.

The total deposits have increased during the period (1890–7) 51.6 per cent. and the total loans during the same period only 12.4. Had the increase of the latter kept pace with the former, in a proportionate degree, there would be sufficient reason for the special inducements offered by the banks to depositors, but the figures will show that their surplus funds have largely found investment in bonds and debentures. The net yield of such investments can be but a small margin in excess of the rates allowed upon deposit.

The following extracts from the Government Returns will clearly point out the channels into which the resources of the banks are diverting:

(Thousands omitted.)

YEAR.	*Circulation.*	*Deposits.*	*Loans.*	*Bonds, debentures, etc.*
1880	$27,328	$90,387	$125,552	$2,687
1885	32,363	111,269	160,679	7,668
	Inc., $5,035	Inc., $20,882	Inc., $35,127	Inc. $4,984
	" 18.4 p. c.	" 23.1 p. c.	" 27.9 p. c.	" 181.2 p. c.
1885	$32,363	$111,269	$160,679	$7,668
1890	35,006	139,701	202,515	8,603
	Inc., $2,643	Inc., $28,432	Inc., $41,836	Inc., $985
	" 8.11 p. c.	" 25.5 p. c.	" 26.0 p. c.	" 12.1 p. c.
1890	$35,006	$139,701	$202,515	$8,603
1895	32,565	187,119	224,328	23,467
	Dec., $2,441	Inc., $47,418	Inc., $21,813	Inc., $14,864
	" 6.0 p. c.	" 33.9 p. c.	" 10.7 p. c.	" 172.7 p. c.
1895	$32,565	$187,119	$224,528	$23,467
1897 (Sept.)	38,616	211,819	229,069	30,570
	Inc., $6,051	Inc., $24,700	Inc., $4,541	Inc., $7,103
	" 18.6 p. c.	" 13.2 p. c.	" 2.2 p. c.	" 30.3 p. c.

SMALLER PROFITS MAY BE EXPECTED.

It is but reasonable to assume that the relative totals of bank discounts and deposits will develop, for some time to come, in the direction indicated by the returns of the past seven years, and such being the case a narrower margin of profits is the inevitable prospect. But with the approach of the minimum of profit a united action upon the part of the banks will exert itself to discover a restorative. Obviously the encouragement of deposits at high rates of interest must cease, and a reduction in the rates allowed will follow, which may be consistent with the money situation. Until such time as the demands of trade and the development of the country's industries require more capital than is now available, the maintenance of a high rate of interest upon deposits is not only unprofitable to those paying it, but is incompatible with good banking.

The payment for several years of three and a half per cent. interest by the Government upon its deposits in Post Office and Government Savings Bank * had the effect of unduly stimulating the rates paid by the banks, inasmuch as the latter, by such unfair competition, were compelled to sustain rates at a like figure. On the whole it is not likely that the banks begrudge the Government the forty-nine odd millions of deposits held by it, but just complaint can be made of the excessive rate of interest paid, for the reasons above stated.

That the "grandmotherly" guardianship of the people's small savings by the Government is an unbusinesslike and extravagant expedient for acquiring funds, is attested by the fact that the country has borrowed upon its bonds

* In October, 1889, the Government reduced its rate of interest to depositors from 4 per cent. to 3½ per cent., an action which brought about the reversion of large sums to the banks. In April, 1892, many of the banks mutually agreed upon a reduction of interest from 4 per cent. to 3½ per cent. On July 1, 1897, a further reduction of the rate to 3 per cent. was made by the Government.

abroad at about one-third per cent. less than the estimated gross cost of the Government and Savings bank deposits. In addition to the Government's exercise of its prerogative in carrying on a *quasi* banking business, as outlined above, the function of issuing notes is another of its features which savors of banking. The total of Government notes outstanding on September 30, 1897, amounted to $24,371,681. A discussion however of its moral rights in this direction is foreign to the text of this paper.

Competition has not been altogether confined to the banks themselves or to the Government, but also extends to corporations, which if restricted within the scope of their proper administration would not trespass upon the banking field. In this class might be quoted, chartered loan companies and express companies.

Competition of the Loan and Express Companies.

The privilege enjoyed by these institutions of receiving deposits (now amounting to about $19,405,000) certainly suggests an encroachment upon banking rights. More especially is it the case when it is considered that their charters do not compel them to hold a cash reserve to protect the withdrawals against this demand liability. As a matter of fact their cash reserves are deposited in the banks, and in many cases bear current rates of interest. In a like manner when there is a plethora of money in the country the loan companies find a profitable refuge for their surpluses in the banks when the latter are probably supplied with all the workable funds they require, and which they have to carry as best they can. Clearly the banks suffer a handicap in this respect, and one which they could easily remove by concerted action. The Canadian Bankers' Association, which has already proved instrumental in the protection and conservation of banking interests in and out of Parliament, could and probably will accomplish any reform necessary to the well-being of the banks at large. Present indications point to its dealing with the important question of interest on deposits, in the not very distant future.

Another source of competition is to be found in the express companies, which though not of a formidable character is sufficiently broad to be touched upon as affecting the minor profits of banks. That their practice of issuing money orders has assumed large proportions is evidenced by the quantity of their paper which daily appears in the transient cash of the banks. Although the scale of charges for money orders of this description is such as to become competitive only in amounts under $50, there can be little doubt that the volume of their business in the smaller amounts has become a strong factor in minimizing banking profits from a like source. The cashing of express companies' orders is certainly a very one-sided arrangement by which the banks perform most of the counter-work and the express company reaps all the profit. The question has received frequent attention at the hands of American bankers.

Some attention has also been given to the matter by Canadian bankers, but further than slight modifications in the minimum charges for drafts, very little has been achieved in checking the unjust competition. It can only be a matter of time when the expediency of seeking prohibitory legislation for such species of piracy will dawn upon bankers. The express companies also cater for collections, but this branch of their operations is not likely to affect banking interests to any extent.

Handling Unprofitable Accounts.

The relations between the bank and its customer are such as to render profit to the former very doubtful under many circumstances; indeed, the freedom which prevails in Canadian banking, in so far as the public is concerned, is a matter of much wonder to our trans-Atlantic cousins who have to pay for similar privileges at home. Every bank is infested with customers who rely upon it as a pleasant, convenient and labor-saving medium for keeping their books, and who issue checks in profusion against balances, which necessitate the frequent use of the deposit-slip.*

The custom of making drafts of an experimental nature upon debtors at outside points prevails too freely with the business community generally, and is an accommodation which should be paid for. The practice is fostered by the banks, which render their services gratuitously in forwarding these items.

In both the above transactions the bank suffers loss by reason of large quantities of stationery used and the additional clerical labor involved. To exact payment for all stationery used, or to make a light monthly charge in the case of such small current accounts,† and the adoption of a rule under which all returned discount or collection bills would be subject to regular collection rates, would result in an effacement of present methods or an increase of profits. The use of checks, drafts, etc., being a medium which minimizes the amount of actual money required for carrying on business, it is a patent fact that the curtailment of such bank accounts as prove unprofitable would result in a further gain to the bank by reason of an increased demand for its notes.

The saving effected in the cost of collecting drafts, etc., by the ingenious reciprocal arrangements existing between banks is more than offset by the "cutting" of exchange rates to customers. The long list of "par" points is also often employed as a bait for the acquirement of new accounts, so that the benefit is directly reaped by the customer and not by the banks, in whose interest such reciprocal methods are intended to operate. The great volume of collecting, which is to-day done by the banks for their customers without charge, should be a source of legitimate profit, and it is only for want of proper organization that it is not so.

The recent consideration by the Bankers' Association of the question of minor profits between banks indicates the awakening of a communion of interests upon the part of bankers, which is bound not only to promote a harmonious spirit but eventually to reduce that friction of competition so disastrous to their mutual and individual welfare. It is not unlikely that the further ventilation of ideas upon the question referred to will ultimately result in the inception of a plan based upon the lines of that adopted by the Scotch banks in 1882 and still maintained by them. In effect, that plan was the upshot of conditions very similar to those which menace the banking interests of this country to-day. Reckless competition was rampant at the time and worked incalculable harm, not only to the banks, but to the whole com-

* A check issued for five cents in payment of street railway fare actually came under my notice recently.

† Since writing the above many banks exact a charge of fifty cents per month in cases where the depositor's average balance is less than $200, and upon which checks are frequently drawn.

munity. Bankers put their heads together and evolved a scheme by which a universal and uniform system of discount, deposit and exchange rates should thereafter prevail, compatible with the changing conditions of the money market. The plan was further matured by which several branch offices were closed, which were considered burdensome to the system, and several other reforms were accomplished which immediately conduced to an all-around improvement in their banking and commercial affairs. The prosperity of their country in the several branches of trade and manufacturing, coupled with their admirable system of banking, is proof positive of the wise administration of laws and customs governing the whole.

That such a combined action upon the part of Canadian banks would have an equally salutary effect is undeniable, and though the community might at first wrongly regard such action as a species of "grinding combine," their prejudices would be quickly swept aside by a dawning consciousness that the benefits of the measure were shared by them.

Equilibrium in the Rate of Discount.

Thanks to the branch system by which medium the savings of the people are so perfectly centralized and distributed, the rate of discount in Canada has always been steady and comparatively low. The following average rates in Montreal for local bills are a fair indication of the rates paid in the different Canadian cities for the periods shown. From 1 to 1½ per cent. in excess of these figures prevailed in Manitoba and the West.

	Rate per cent.		*Rate per cent.*
1878	7½	1893	6 to 7½
1885	7	1894	5½ to 7
1890	6½	1895	5½ to 7
1891	6 to 7	1896	5 to 6½
1892	6 to 7	1897	5 to 6½

It will be seen that the rate of discount has fluctuated but very slightly for many years past, and not until the depression of 1893–4, when money became plentiful throughout the world, did it show a downward tendency. Many causes contribute to the cheapness of money, but chiefly it is governed by the law of supply and demand; and upon this will solely depend the rate of discount in the future. If renewed activity in trade and commerce creates a strong demand, which the country's capital is incapable of meeting freely, the rates will advance until relieved by the influx of cheap foreign capital, attracted hither by promise of profitable investment. To some extent, in so far as suitable to local conditions, the rate of discount will probably be fixed from time to time by the Bankers' Association when such matters are placed within the scope of that body's jurisdiction.

Panics and Trade Depression.

Without dealing with each successive depression through which the country has passed since Confederation, it is only necessary to instance that of 1893 as the best exemplification of the qualities of our banking system under trying circumstances. During that and the two following years countless enterprises of every description in all parts of the world succumbed to the strain. No nation enjoyed entire immunity from the sweep of the great tidal wave of depression, but a review of the effect upon Canada, as compared with many other countries, more especially the great Republic to our South, cannot but prove a subject for self-congratulation, and a tribute to the solidity of our conservative monetary system. The conditions of things were very similar in both countries, but Canada being possessed of one of the most admirable banking systems in the world, embracing a staunch and sound currency, unexcelled in its elasticity, survived the storm in a way which elicited world-wide comment.

The same degree of success cannot be said to have attended our neighbors who were so handicapped by defective, inflexible and inadequate currency. During the panic period of 1893–4 deposits in the United States decreased twenty per cent., while in Canada the decrease was only three per cent. During the same period bank loans in the United States decreased about twelve per cent. and in Canada the decrease was slightly over one per cent. Call money in New York, on June 29, 1893, was seventy-three per cent. and on July 1, 1893, it reached the extraordinary rate of 140 per cent.! In Canada the rate remained practically undisturbed. The few facts quoted will serve to show the advantages of an elastic currency during periods of distress.

Redemption of Canadian Bank Notes.

The daily redemption of the notes of Canadian banks affords a rigid test of the solvency of the issuing bank, and at the same time effects the retirement of every note when not required, thereby insuring protection against that undue inflation which aggravates and sustains a demoralized money market.

Apropos of the situation in 1893 Wm. C. Cornwell, President of The City Bank, Buffalo, N. Y., a well-known writer on American finance, sums up as follows: "The New York Clearing-House certificate saved the United States after her fearful panic from collapse and ruin. The elastic quality of Canadian bank currency, the remedy *before* instead of *after* disaster, saved Canada from the panic itself."

There can be no fiscal system which will avoid commercial crises, but a sound bank currency is a certain means of mitigating the evil. The truth of the axiom that "history repeats itself" is bound to be still further proven by periodical recurrences of commercial depressions and trade prostration in the future. Past experience in our ability to cope with adverse conditions engenders a confidence of power to overcome similar conditions again. It is not overestimating our prowess to assert that a wise administration of existing banking functions will prove equal to the mastery of all probable panic or financial strain.

The Outlook for the Future.

The future of banks in Canada collectively must at present be but a matter of surmise, yet it is safe to predict that the thirty-seven joint-stock banks now in operation will be quite equal to the wants of the country for many years to come. In fact it is not unlikely that the number of individual banks will be lessened, although the aggregate of capital of those remaining may be increased in proportion to the demands of expanding commerce. At present a network of branches covers the land from one end to the other, and affords the best of banking privileges to every city and town, and almost every village of the humblest pretensions. Every bank is on the *qui vive* for the extension of its branch system, and the opening of any new district or the growth of a community is immediately followed by the establishment of a branch office of one of the banks. Indeed so keen is the competition in this respect that many districts have two branches thrust upon it at once, when the conditions or necessities of local business would hardly warrant the outlay of expense entailed by a single branch.

Under abnormal conditions when land booms and other species of speculation turn the heads of investors, or when agricultural and mercantile interests are given a sudden impetus by heavy immigration, the incentive to invest capital in new banking enterprise no doubt would be tempting. The Bank Act, however, contains a clause requiring a subscribed capital of $500,000 and the actual payment of $250,000 before the bank seeking incorporation can open its doors for business. Furthermore the minimum of working capital required of new banks is more likely to be increased than reduced by future legislation. Granting that sufficient capital could be found for the establishment of new banks, it is safe to say that with the subsidence of commercial and speculative excitement such ventures would eventually merge into one or another of the oldest established institutions.

Under the existing laws banks are permitted to issue notes to the extent of their fully paid-up capital. It is possible, and we all hope probable, that by reason of great activity in commerce, brought about by the growth of new manufacturing industry or by heavy immigration, that the banks might come to the end of their tether in this respect; but judging from past records the full exercise of their present privileges is not likely to occur for a great many years. The Government returns for September, 1897, show the aggregate paid-up capital of the banks to be $62,279,926, and the note circulation, $38,616,000. At no time has the circulation exceeded forty-two millions, so it is readily seen that the amount of available bank currency is a large one and capable of meeting a very much larger extension of trade than we will be blessed with for some years to come. The settlement of the immense fertile plains of the Northwest, and the development of the British Columbia mining fields will result in the consequent extension of the banking system and will create heavy demands upon the bank circulation in the future. As the area of note distribution is widened a greater proportion will be required than that necessary for a more contracted field. Even supposing the possibility of the limit being reached in the remote future there is still reason to believe that such an event would not mark the advent of new banks, as those in operation would possess in themselves the element of filling the breach, and under such circumstances would increase their capital.

The Question of Bank Reserves.

The question of reserves is a matter altogether reposed within the discretion of the bank's management, there being no statutory enactment touching upon it further than the provision which requires 40 per cent. of such reserves to be held in Dominion notes, a provision which does not find much favor with bankers generally. Although it is impossible to make a hard and fast rule concerning the proper ratio between reserves and liabilities, the conditions and character of the transactions of different banks being so diversified, it is plain to any student of Canadian banking affairs that some of our banks sail very close to the wind in this respect. That such small reserves have proven adequate to all requirements in the past is no justification of the practice and cannot for a moment reconcile itself with prudent banking. It is beyond dispute that a cash reserve (specie and Dominion notes) of 5 per cent. (or under) of liabilities courts catastrophe, and more particularly is this the case when the immediately convertible assets, such as call loans, foreign balances, and bonds, aggregate a sum equal to about twenty per cent. of total liabilities.* The danger is further augmented if the outstanding circulation approaches the authorized limit. Unquestionably an ambition for gain is the prime cause of such a close policy, because large cash balances represent so much unemployed capital and the consequent reduction of a bank's earning power. During periods of commercial equanimity a smaller cash reserve than five per cent. might perform its function safely, but the principle which should underlie the holding of reserves is that of providing for every emergency, during periods of financial excitement. The holding of at least ten per cent. in cash of total liabilities and forty per cent. of quickly convertible assets is a conservative all-round estimate, and would render a bank's credit, as well as its administration, beyond the pale of adverse criticism.

At a glance the relation which cash reserves bear to the future may appear remote, but under certain circumstances it might prove an important factor in shaping the destiny of the individual bank, if not of the whole banking system. It is true that the public at large is too prone to unfairly criticise the banks and is ever ready to jump at hasty conclusions. This predilection would be encouraged by exposing a vulnerable point for attack, which if once commenced might eventuate disastrously. Runs upon banks have been precipitated for less cause than scanty reserves, and being of a peculiarly contagious nature the result of one can be more easily imagined than described. Demagogues and finance critics galore would excite unnecessary alarm among the people, which might foment a popular outcry for parliamentary legislation requiring banks to hold a fixed reserve. This view, though perhaps an extreme one, is quite within the realm of possibility and should prove a determining influence upon all bankers to maintain cash reserves which would at all times rise superior to every exigency of financial disturbance or public criticism.

Private Banking in Canada.

In this particular field of banking the probability of extension is remote, unless legislation is brought about which will provide a comprehensive supervision of the system now prevailing. Although there are many well-regulated and thoroughly trustworthy private banking institutions in Canada, conducted by men who command the respect and confidence of their community, it cannot be denied that the absence of laws respecting the system is not conducive to the repose of public confidence in such concerns. Moreover, chartered branch banking has become so extended in its operations that most communities are satisfied with the facilities afforded by such. Without enlarging upon the subject it is safe to conclude that the future of private banking is more likely to be retrogressive than progressive.

Public Satisfied with the Present System.

The record of the Canadian banking system in the past affords a good and sufficient guarantee for its permanency in the future. It is a system which

* A scrutiny of the Government returns for Sept., 1897, will verify these percentages.

is free from public censure; there is no clamoring for reforms or changes; no complaint of its inadequacy to meet the people's wants. It is popular and therefore permanent. There is admittedly no fiscal system which is entirely infallible or free from weakness, but it can be confidently asserted that any defects which may be traced in Canadian banking methods are the defects of policy rather than of principle.

Loaning upon real estate is denied the banks by the provisions of the Bank Act, such business being confined to the mortgage loan companies and kindred societies. The wisdom of separating actual banking interests from those so often fraught with dangerous speculation is obvious to all, and will always prove a safeguard against a calamity such as overtook many of the Australian banks in 1893. In that country the banks manipulated real estate, and as the sequence proved many suffered the extreme penalty by the collapse of land values. The absence of land banking in time of financial stress will insure freedom from the hampering effects of bank funds being locked up in real estate. Under such conditions banks would find almost instant relief by resorting to their more readily convertible securities.

The bank-note issues comprise those qualities of security, convertibility and elasticity, together with absolute freedom from the dangers of inflation, which are the essential features of a scientific currency.

The branch system constitutes a perfect medium by which the country's savings are mobilized and distributed to meet the demands of expanding trade at a low and equable cost to the borrower.

The monthly returns furnished to the Government, embracing a full detailed statement of each bank's affairs, invite wholesome criticism from the press and public which is calculated to excite strong rivalry between the banks for popular favor. The returns afford a medium for advertising each bank which will either increase or decrease the volume of its business, a fact which being recognized by each bank is generally conducive to stronger banking balance-sheets. In no less a degree is the criticism of the individual bank excited, as the provisions of the Bank Circulation Redemption Fund make every bank directly interested in the solvency and character of all other banks.

There is no Act of Parliament which will prevent dishonesty, collusion, or breach of trust; but the banking law of Canada, in conjunction with the excellent methods of annual internal inspection employed by each bank, greatly minimizes the probability of disaster or loss to creditors arising from such causes.

The Canadian Bankers' Association will hereafter prove an active force in shaping the destiny of Canadian banking. Its decisions will all have their effect upon banking legislation and banking practice in the future. The excellent "Journal" of the association will also do much to promote the interests of banking by the encouragement of discussion and interchange of opinion amongst bankers.

The policy of establishing superannuation and pension funds for the benefit of aged and incapacitated employees is one which is being adopted gradually, and which in course of time bids fair to become universal among banks.

The question which will prove of most concern to bankers in the future is that of competition. It is a problem which has already occupied the attention of most branches of commercial activity, and of late years it has become apparent that it is a subject which inevitably must engage the serious consideration of the banking fraternity. Combined effort will sooner or later accomplish that desideratum of competitive conditions which will produce the minimum of friction with the maximum of fruition.

The success of the banks is dependent upon the prosperity of the country inasmuch as every industry contributes its portion to their vitality; and on the other hand it can be said that the country owes to its banking system a full measure of credit for its own development. The growth of the one is paramount to the progress of the other. The Canadian banking system, founded upon the oldest and best traditions of banking lore, and moulded to conform to the usages and demands of the country, stands, to-day, confessedly in the front rank of model banking systems. Established as it is in a country which possesses all the elements of greatness: a healthy climate, illimitable resources in mine, forest, and farm, and populated by a vigorous and zealous people, the future of Canadian banking augurs well.

GEO. WILSON.

SECRETARY GAGE'S RECOMMENDATIONS.

That part of the Annual Report of the Secretary of the Treasury referring to the currency will be found in full in another part of this number of the MAGAZINE.

Perhaps the most important recommendation in the report is that in favor of refunding the bonded debt, the bonds to bear 2½ per cent. and to be payable principal and interest in gold coin. As the Secretary says:

> "The word 'coin' now used to express the obligation in the public debt is an ambiguous word. It is no doubt understood by the more discriminating public creditor to mean gold coin, and the solemn act of Congress pledging the maintenance of silver coin upon a parity with gold coin makes it impossible to construe the word 'coin,' as therein used, to mean anything other than gold or its full equivalent. Yet as this is a conclusion of logic rather than a clear statement of fact, the simpler and more humble investors or would be investors in the public debt are confused and doubtful, and the public credit is the weaker therefor."

The question as to what is the standard of value should manifestly rest upon some surer ground than a deduction of logic, nor should it be a question of mere executive policy, as now; for it only requires the word of the President to make all our obligations payable in silver. Of course there is no danger that such a calamity will happen during the present Administration.

A definite statutory law declaring the kind of coin in which the obligations of the United States are payable would do more to strengthen public credit and restore prosperity than any single financial measure that could be devised. It is the primary and indispensable step in any plan of currency reform, and until Congress is brought to a realizing sense of this fact it is hardly profitable to discuss the details of any plan, however meritorious.

There is no doubt that Secretary Gage's proposals are in the main such as would, if enacted, greatly improve our currency system. He himself is careful to say that his plan is but a beginning; and it is certainly a good one. Congress can do no better than to begin the work of currency reform by passing a law defining the standard of value.

THE MONETARY COMMISSION.

PORTRAITS AND SKETCHES OF THE MEN WHO ARE AT WORK ON A PLAN OF CURRENCY REFORM.

In the end it will no doubt prove fortunate that the organized and active fight in behalf of currency reform has been undertaken by a body representative of the commercial interests of the country instead of by either of the prominent political organizations. It is a guaranty that any recommendations the Commission may make will represent its deliberate conclusions as to what the country ought to have in the way of currency reform to ensure prosperity and stable credit, and not merely a thing of expediency wrapped in a bundle of concessions and compromises put together so ingeniously as to run the congressional gauntlet without losing its life or identity.

Necessarily a currency plan brought forward by a political caucus is destined to be more or less conciliatory in form and substance, and to represent not so much what is ideal as what is possible. But the Monetary Commission will not be hampered in this way, and it need make no concessions save such as may be essential to meet the varying conditions in different sections of the country. It may therefore be expected, in view of this fact and the high character of the Commission, that whatever plan may be evolved will be the best that wisdom and experience can devise.

But before any plan can be enacted into a statute the consent of Congress will have to be obtained, and when the measure comes before that body concessions will have to be made, perhaps; but it is well to start with a plan that is economically sound. Eventually this whole matter of currency reform will in all probability have to be fought out at the polls, as all such questions of governmental policy are, and no party will care to go before the people with an indefensible scheme or one that does not represent the best and highest thought on the subject. If the matter is properly presented to the voters they will almost certainly decide in favor of the very soundest and best plan that can be proposed. That is the way the American people have of doing. Temporarily and occasionally they may err, but their final judgment is pretty apt to be right.

The Monetary Commission is preparing the way for the currency fight that is sure to come, whether the politicians desire it or not.

The Monetary Commission now in session at Washington was appointed by the Executive Committee of the Monetary Conference, held at Indianapolis, Ind., January 12, 13 and 14. This convention, composed of delegates from boards of trade and commercial clubs of one hundred and eight cities of the country, having three hundred members in attendance, instructed its Executive Committee to choose eleven men to act as a Monetary Commission to consider our entire financial organization and formulate a plan, in the form of a bill, to be recommended to Congress for legislation. All this to eliminate the money question from politics and thereby to overcome the periodical shock to business by reason of continuous agitation for political issues.

The Executive Committee selected and secured acceptances for service in such a Commission of eleven representative men, and in doing so effort was made to give proper recognition to geographical, commercial and equal political representation. The entire movement has but one motive, and that the general good.

On January 12 the conference adopted the following, which indicates the scope of the Commission's work :

"This conference declares that it has become absolutely necessary that a consistent, straightforward and deliberately planned monetary system shall be inaugurated, the fundamental basis of which should be:

First—That the present gold standard should be maintained.

Second—That steps should be taken to insure the ultimate retirement of all classes of United States notes by a gradual and steady process, and so as to avoid injurious contraction of the currency or disturbance of the business interests of the country, and that until such retirement, provision should be made for a separation of the revenue and note-issue departments of the Treasury.

Third—That a banking system be provided which should furnish credit facilities to every portion of the country and a safe and elastic circulation, and especially with a view of securing such a distribution of the loanable capital of the country as will tend to equalize the rates of interest in all parts thereof."

This represents the general principles which will be kept in view in the deliberations of the Commission. Questions designed to bring out an expression of opinion on the steps necessary to be taken in a proper reform of the currency have been sent out by the Commission and replies invited. A list of these interrogatories was published in last month's issue of the MAGAZINE, together with the replies of the Editor.

Below will be found portraits of each member of the Commission and a brief biographical sketch.

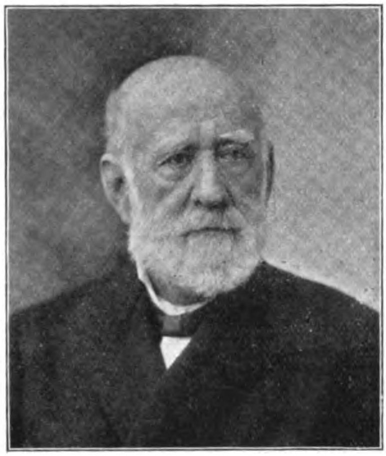
MEMBERS OF THE COMMISSION.

PORTRAITS AND BIOGRAPHICAL SKETCHES.

The Chairman of the Commission is Ex Senator George F. Edmunds, of Vermont. During his long service in the Senate Mr. Edmunds discharged for some years the duties of Chairman of the Judiciary Committee, a committee that is usually composed of the ablest lawyers in public life. By his associates in the Senate Mr. Edmunds was regarded as its foremost lawyer. His service in the Senate covered a period of twenty-five years, which was ended by his resignation in the autumn of 1891. Mr. Edmunds was not only prominently identified with the impeachment of Andrew Johnson, but he was also a member of the Electoral Commission and bore a conspicuous part in the passage of the Pacific Railway Funding Act. It was principally through his efforts that the law which suppressed polygamy in Utah was passed—a law that will associate his name with the territorial history of Utah for all time.

The high character of Mr. Edmunds, his great ability and his long association with the best elements in American political life, made him the candidate of the New England and other Eastern Republicans for President in the national conventions of 1880 and 1884.

His independence of character was never better illustrated than by the effective work he performed in connection with the anti-trust law of 1890, notwithstanding at that time he was frequently employed by great railway and other corporate interests to represent them before the United States Supreme Court. As a legislator he was noted for his legal acumen, his readiness in debate and his respect for the traditions of the Senate. The story is told in Washington of an enterprising newspaper correspondent who once asked Mr. Edmunds if there would be any impropriety on his part in asking what his committee had done with a certain nomination to which considerable opposition had been shown.

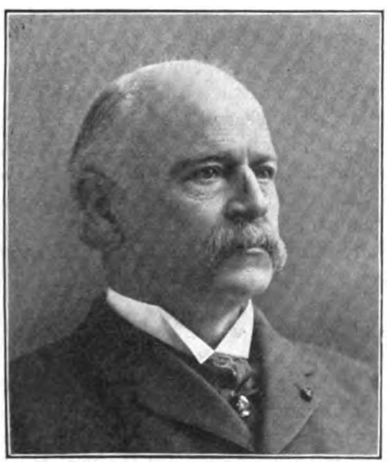


GEO. F. EDMUNDS,
Chairman.

"Not the slightest in the world, my dear sir," replied Mr. Edmunds; "but," he continued, with a smile, "it would be very improper on my part to tell you."

Notwithstanding Mr. Edmunds will soon reach the ripe age of three score and ten years, his fine legal mind has lost none of its acuteness nor is he, apparently, an hour older than he was a decade ago, when he was easily the foremost Republican in public life. Of late years he has not devoted the same attention to the currency question that he did during his public career but in the discussions before the Commission he has not only dissected the various propositions with wonderful insight and skill but he has delighted his associates by the readiness with which he has appreciated the arguments for a reform in our monetary system.

The Vice-Chairman of the Commission is Colonel George E. Leighton, a Massachusetts man who was educated in Cincinnati but removed to St. Louis in his twenty-third year, where he has since resided. Colonel Leighton is also a lawyer. The outbreak of hostilities between the North and South found him enjoying a lucrative practice which he resigned to serve in the Union Army. Notwithstanding his youth, he was rapidly promoted until he reached the rank of colonel, serving with distinction under the gallant Lyon, who was killed at Wilson's Creek, and under Halleck, Curtis and Schofield.



GEORGE E. LEIGHTON,
Missouri.

At the close of the war he returned to St. Louis and resumed the practice of his profession. He was for some years the general counsel for several Western railways, among them the Missouri Pacific. In 1873 he retired from active practice to engage in the manufacturing, banking and other important enterprises with which he is still identified.

Colonel Leighton has written and published a number of addresses and papers on economic, historical and municipal subjects. This work has resulted in his election as President of the Missouri Historical Society, the Presidency of the University Board of Washington University and a membership in the St. Louis Academy of Science and the American Economic Association. In addition to these honors, he was for four years President of the Commercial Club, of St. Louis.

He has been conspicuous as a leader of the sound money sentiment in St. Louis, the development of which he began as far back as 1885.

A speech delivered by him at the trans-Missouri Congress in opposition to the free coinage of silver three years ago attracted wide attention and was distributed to the number of one hundred and fifty thousand copies.

One of the New York members of the Commission is ex-Secretary of the Treasury Charles S. Fairchild. Mr. Fairchild is a man of about fifty-five years of age, having been born in 1842 in Cazenovia, New York, where he received his early education. In 1863 he graduated from Harvard University, and two years later from the Harvard Law School. He was shortly after admitted to the bar in New York State and at once began the practice of law in Albany. In 1874 Daniel Pratt, the Attorney-General of the State, appointed him Deputy Attorney-General. The next year he was nominated by the Democratic party of the State for the Attorney-Generalship, and elected. In the course of his four years' service in the Attorney-General's office he distinguished himself by his fearless and energetic prosecution of the ring leaders of the canal frauds and Tweed ring of that time. For a number of years after the expiration of his term of office as Attorney-General he practiced law at New York.

CHARLES S. FAIRCHILD,
New York.

In 1885 he was appointed Assistant Secretary of the Treasury by President Cleveland, and upon the death of Secretary Manning, two years later, he entered the Cabinet as Secretary of the Treasury, having already served for some time as Acting Secretary, owing to the ill health of Mr. Manning. It was at this time that the increased silver circulation under the Bland-Allison Act of 1878 was beginning to be a troublesome factor in the conduct of the country's finances, and the intelligent comprehension of the situation which Mr. Fairchild manifested marked him as an able financier. Since his retirement from the Treasury in 1887, Mr. Fairchild has been President of the New York Security and Trust Company, an institution then just organized. As head of this company to the success of which he has contributed much he has given further evidence of his capacity as a business man and financier.

Politically Mr. Fairchild is a Democrat, and has been interested in all movements for better municipal government in New York, and has given much assistance to the development of charitable enterprises along correct lines. He has been President and is now Treasurer of the State Charities Aid Association, and is one of the Vice-Presidents of the Charity Organization Society of New York, in the establishment of which he was instrumental. He was for several years the President of the Reform Club.

Mr. C. Stuart Patterson is the Pennsylvania member of the Commission. He was born at Philadelphia and has been for many years one of the Quaker City's most prominent citizens. He was the permanent Chairman of the Indianapolis Monetary Convention which authorized the creation of the present Commission.

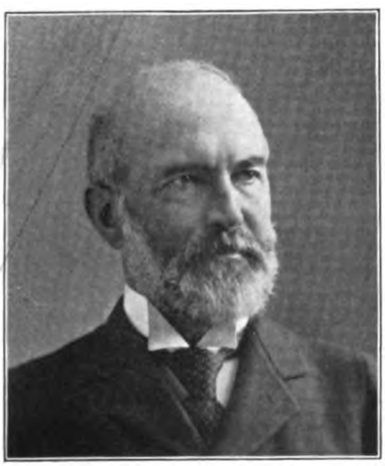
He was graduated from the University of Pennsylvania in 1860 and upon the breaking out of hostilities between the North and South enlisted in the Union Army. He served with distinction in the First Philadelphia Battery and was wounded in the summer of 1863.

He was admitted to the Philadelphia bar at the close of the war and practiced his profession actively for a number of years. He became Professor of Constitutional Law in the University of Pennsylvania in 1887, which duties he still performs. He was elected several years ago Vice-President of the Western Saving Fund Society, of Philadelphia, which has thirty thousand depositors with deposits aggregating nearly $11,000,000. Since his connection with this institution he has been conspicuously identified with its management.

C. Stuart Patterson,
Pennsylvania.

In addition to these labors he is also one of the directors of the Pennsylvania Railway Company. He has given close study to financial matters and in the discussions in the Commission relative to the different propositions before it, he has shown not only a wide familiarity with the general subject of banking and currency reform but a great deal of what one of his colleagues describes as "strong common sense."

Mr. Patterson is a Republican in politics and has been prominently identified for years as a speaker in various State and Presidential campaigns.



Wm. B. Dean,
Minnesota.

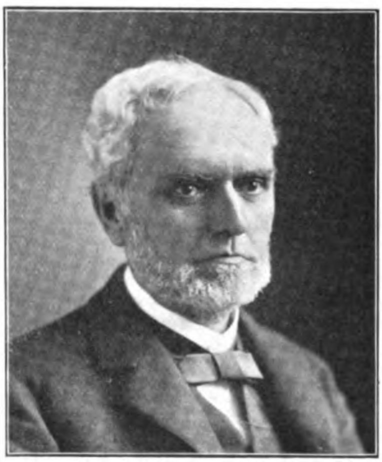
The Northwestern member of the Commisson is Mr. W. B. Dean, of Minnesota, a Pennsylvania man, who was born at Pittsburg in 1838 and went to St. Paul eighteen years later, while Minnesota was still an undeveloped territory.

He is an iron and hardware merchant in which business he established himself nearly forty years ago and which he has gradually expanded during the intervening years. He has held positions on the Water Board, the Board of Fire Commissioners and the School Board, of St. Paul; is now one of the Commissioners lately appointed by the judges of the district court to prepare a new charter for the City of St. Paul and served a term of four years in the State Senate, to which he was elected without opposition, receiving, in short, the nomination of both the great parties. He is a staunch Republican and accepted a nomination as elector on the Republican national ticket in 1884.

He has become a shareholder in various banks and other business enterprises in recent years and is a director of one of the leading banks, and in the Minnesota, St. Paul and Sault Ste. Marie Railway.

He became interested some years ago in the subject of reforming the currency and putting it on a more scientific basis and was made a delegate to the Indianapolis Business Men's Convention by the Chamber of Commerce of St. Paul. He was named as one of the members of the Executive Committee of the Convention, of which Mr. H. H. Hanna is Chairman, and his associates on the Committee were so strongly impressed with his breadth of mind and information that they insisted, against his protest, that he should go on the Commission.

Mr. Robert S. Taylor is a lawyer residing at Fort Wayne, Indiana, where he was admitted to the bar in 1860. He is an Ohioan by birth; he was born in Ross county, May 22, 1838; but was taken to Indiana in childhood by his father, a pioneer Presbyterian minister and teacher, from whom he received a good academic education.



ROBERT S. TAYLOR,

Indiana.

He is a Republican in politics, and from his youth up has taken an active part in the stirring political campaigns that distinguish the Hoosier State. He has made much use of paper and type, and his published addresses have been widely circulated. They exhibit a range of information and originality of thought touching the economic aspects of political questions, quite beyond the ordinary. His discussions of the money question have covered all the various phases of it which have presented themselves as political issues from 1878 to 1896.

Quite early in life he served one term on the bench and one in the Indiana Legislature, but has held no other political office. In 1881 he was appointed a member of the Mississippi Commission by President Garfield to succeed General Benjamin Harrison, who left the Commission at that time to take a seat in the United States Senate. He is regarded as an authority on Mississippi River questions, and has given to the public many addresses and papers on that subject.

J. Laurence Laughlin, who represents Illinois upon the Commission, is a Harvard man who, after being Assistant Professor of Political Economy at Harvard, was connected with the Philadelphia Manufacturers' Mutual Fire Insurance Co., but left business life in 1890 to accept the chair of Political Economy at Cornell. Later, upon the opening of the University of Chicago, he went to organize and conduct the department of economics in that institution.

It was while giving instruction at Harvard that Professor Laughlin composed his History of Bimetallism in the United States. The book was received with favor and has since run through several editions. To meet the want of an adequate text-book on political economy, he had already prepared an abridgement of Mill's great work on the subject and by the introduction of copious notes and additional exposition had modernized it to meet the wants of college classes. Professor Laughlin has set forth his ideas upon the teaching of economics in an elaborate essay and has also written much for the leading magazines, publishing many economic studies in scientific journals.

J. LAURENCE LAUGHLIN,
Illinois.

Since accepting his chair at Chicago, his labors have been onerous. He has not only had the direction of the department of economics but has, from the beginning, been editor-in-chief of the "Journal of Political Economy," to which he has frequently contributed. Besides these duties he has had much active work to do in the silver controversy and has written many popular expositions upon monetary topics. A considerable number of these have been published in a work for popular circulation entitled "Facts About Money."

The work of preparing a system of monetary legislation is not a new one to Professor Laughlin. In 1894–95, he prepared for the Government of San Domingo a scheme of monetary reform which was subsequently adopted.

Theorist, writer, currency expert, and practical man of affairs, Professor Laughlin is, however, above all things a teacher. Unlike many, he finds no work more important than that of assisting the intellectual development of his students and counts it more important to train them in thinking logically on economic subjects than to require the performance of a certain amount of routine work. It is a part of the intellectual honesty which has given him his ascendency over the minds of his pupils that he prefers to adhere consistently to tested methods rather than to pursue the passing fashions from which scientists, little more than others, are free.

J. W. FRIES,
North Carolina.

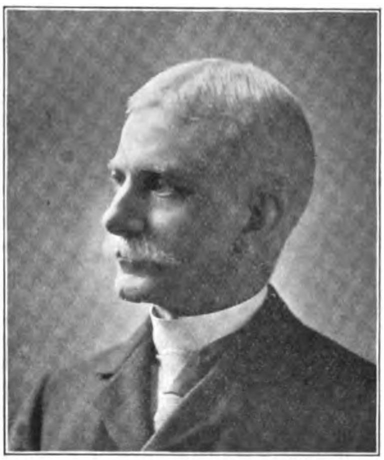
The two distinctively Southern members of the Commission are Mr. John W. Fries, of North Carolina and Mr. T. G. Bush, of Alabama. Both gentlemen are essentially business men and neither has any personal interest in politics.

Mr. Fries is a native of the Old North State. He is an enthusiastic believer in its material prosperity, and is pardonably proud of the strides which she has made in the thirty years succeeding the late war. He was born at Salem about fifty years ago, and is a member of the firm of F. & H. Fries, who are extensively engaged in the manufacturing of wools and cottons, and conduct in addition a large flouring mill. He is also President of the People's National Bank, of Winston, and director of the Wachovia Loan and Trust Co., of Winston.

Mr. Fries has held at times various local offices connected with the development of his town and State, but aside from these has steadily declined to take an active part in politics. He is a sound money Democrat who not only advocated the maintenance of a sound monetary system during the last campaign, but voted for Mr. McKinley for President.

He was not a delegate to the Indianapolis Convention, which originated the Currency Commission, but his qualifications for a place on the Commission were so well known that he was, greatly to his surprise, earnestly invited to become a member and finally accepted, notwithstanding his private affairs demand all his attention.

Mr. T. G. Bush, of Alabama, was born at Pickensville, and like many other Southern youth enlisted in the Confederate Army and saw considerable military service. In 1861, at the age of thirteen, he organized two military companies. The service of one of these companies was tendered to the Governor of Alabama, as State troops, and accepted by him. In 1864, while serving with the cadets of the University of Alabama, he resigned and entered the Confederate Army as adjutant of the Fifty-second Alabama. A year later he was captured by the Federal troops and confined as a prisoner at Ship Island and at New Orleans until the surrender of General Dick Taylor when he was exchanged at Vicksburg, Mississippi.



T. G. BUSH,
Alabama.

Two years at the University of Mississippi, following the close of hostilities, completed his school days. He graduated in the same class with his brother, who was two years his senior, his brother taking first honors and he taking second.

Mr. Bush then entered upon a business career, which has brought him both fame and fortune. He has been for eleven years the President of the Mobile and Birmingham Railway Company; is the President of the Planters and Merchants' Fire Insurance Company, of Mobile, and of the Shelby Iron Company, at Shelby, Alabama. He has also the honor of being the first President of the Mobile Chamber of Commerce, in which position he was continued for several years.

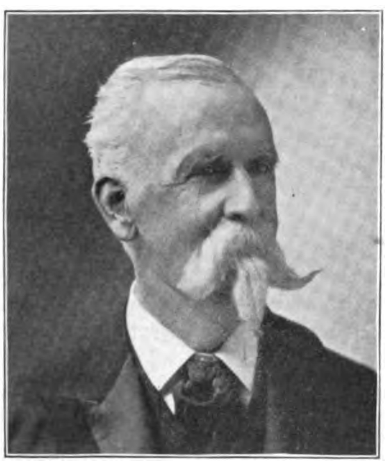
Notwithstanding the numerous enterprises with which he is connected, Mr. Bush found time in 1886 to enter into politics. In that year he was elected to the Alabama Legislature and was placed at the head of the ways and means committee.

Stuyvesant Fish, the youngest member of the Commission, although a New Yorker by birth and still a nominal resident of that State, is practically a Western man, owing to his position as President of the Illinois Central Railway. He entered the service of this company twenty-six years ago. He is now forty-six years old and during the intervening period has been advanced by successive steps to the highest office within the gift of the company. The steps by which Mr. Fish reached this prominence are worth recalling. At twenty he was a clerk in the New York office of the road. A year later he became secretary to the President of the company. Within four years his executive ability had so impressed his employers that he was elected a director of the road and appointed treasurer and agent for the purchasing committee of the New Orleans and Great Northern Railway. Honors then came thick and fast.

STUYVESANT FISH,
New York.

In 1877 he was elected Secretary of the Chicago, St. Louis and New Orleans Railway, and in 1882 promoted to the Vice-Presidency. Two years later he was elevated, first, to the office of Second Vice-President of the Illinois Central road, then to the First Vice-Presidency and, finally, ten years ago, he was chosen President. His administration of the road has been marked by an effort to identify the interests of the employees and patrons of the road with those of the management, and in this he has been successful.

The Pacific slope contributes, as its representative on the Commission, Mr. Louis A. Garnett, who is one of the best equipped of the members in respect to expert financial knowledge. He is more than seventy years of age and is proud of the fact, although his appearance would indicate him to be a decade younger, at least.



LOUIS A. GARNETT,
California.

Many of the most important provisions of the coinage laws of the United States were suggested by him. Among these were the laws for the creation of the Mint Bureau at Washington; the repeal of the gold coinage charge; the adoption of the trade dollar and the law regulating the value of foreign coins upon the intrinsic value, which has added many millions of dollars to the revenues of the Government. During his long residence in San Francisco, Mr. Garnett has been a consistent supporter of the gold standard. After several years of travel, which was largely devoted to the study of financial subjects, he returned to San Francisco and organized the great reduction works, known as the San Francisco Assaying and Refining Works, but now known as the Shelby Lead Works, with which he is still connected. Mr. Garnett has been a frequent writer on coinage and financial subjects, his articles in "The Forum" and other magazines having attracted wide attention. The Commission has relied upon his technical skill in the framing of the recommendations regarding coinage, and he has submitted some painstaking and valuable reports.

IS THERE A PROFIT ON CIRCULATION?

Editor Bankers' Magazine:

SIR:—I notice in the November issue of your MAGAZINE the article on National Bank Circulation. A glance at the statements of different National banks emphasizes the difference in opinion as regards profit and loss on circulation. After studying many different methods of computation on this subject, which seems to permit of various ways of approach, I am resting on the following, which I would like to have you criticise:

Buy a $1,000 4 per cent. bond of 1925 at 128; the return from this investment, if held to maturity of bond, is about .0264 per cent., or $33.79, which of course allows for sinking fund. Deposit this bond with the Treasurer of the United States as security for $900 in circulation, which amount loaned at 4½ per cent. will net $40.50. Incidental to this circulation is a tax of 1 per cent., or $9.00. General expenses one-tenth of one per cent., or 90 cents, which is a liberal estimate. Deducting the sum of this tax and expense, $9.90, from $40.50 leaves a balance of $30.60, income from circulation, which added to the income from the bond, shows a net income of $64.39 on an investment of $1,280, or a return of 5.02 per cent. Comparing this with the investment of $1,280 without circulation at 4½ per cent. the return from which would be $57.60, a profit of $6.79 is shown, or a little over one-half of one per cent. Figuring money to be worth 5 per cent. the excess of profit is shown to be a little over one-third of one per cent. With money at 6 per cent. the investment shows about the same return.

This is of course figured on the assumption that the circulation is kept in use. I would consider the investment a wise one, even though I were assured of a 6 per cent. money market, for the reason that in the case of circulation the difference between the price of the bond and the amount received is well secured, whereas, on the other hand, the total amount invested must be at a greater risk. I append the table.

Purchase one United States bond of 1925 at 128—$1,280.		
Net income from investment on bond at .0264 per cent.....		$33.79
Receive circulation $900, invested at 4½ per cent...	$40.50	
Less taxes and expenses..........................	9.90	
	$30.60	30.60
Total income on investment, $1,280..................		$64.39 or 5.02 per cent.
Investment $1,280 at 4½ per cent........		57.60
Advantage with circulation..........................		$6.79 or ½ per cent.

NEW YORK, Nov. 26.

F. P. MCGLYNN.

Reduced to a formula the method of calculation in the above table may be expressed thus: $Ay + (bx - c) - ax = p$, in which a = amount paid for bond, y actuary's realized rate, b = circulation received, x = rate of interest for bank loans, c = amount paid in taxes and expenses, and p = profit on circulation. For any given class of bonds purchased a and y will remain constant; b and c also remain constant, but x, the rate of bank loans, will vary. It is this variation in x that explains why circulation may be profitable to one bank and not to another. Assuming that x varies from a rate of 4½ per cent., that very low rate being taken by our correspondent, to one of 10 per cent., p will become l, a loss, when x becomes greater than six per cent., as follows:

$x = 4\frac{1}{2}$ per cent.,	$p =$ $6.79,	or ½	per cent. +.
$x = 5$ "	$p =$ 4.89,	or ⅓	" +.
$x = 6$ "	$p =$ 1.09,	or 1-12	" +.
$x = 7$ "	$l =$ 2.71,	or 1-5	" +.
$x = 8$ "	$l =$ 6.51,	or ½	" +.

On any other class of bonds changes would have to be made in a and y, but the general result would be the same; the profit would diminish as the bank loan rate increased.

Therefore, it is plain that the whole question of profit on National bank circulation hinges on an understanding of the rate realized by banks in different parts of the country on their ordinary use of money.

The fact that the amount of circulation taken out by the National banks is not as great as the law permits, shows that the interest rates for bank loans generally throughout the country are sufficiently large to preclude profit on circulation. Moreover, if there were any such profit generally, a very large number of banks doing business under State laws would come into the system.

If x, the bank loan rate, were constant in all parts of the United States at six per cent. and under, the determination that there was a uniform profit, even though small, would be simple. With the great variation in interest rates in different localities, each bank must decide for itself whether there is any object in taking out circulation.

To National banks in parts of the country where the rate of interest exceeds six per cent., there is a hardship in the requirement of law by which they are obliged to put up a fixed quantity of bonds before commencing business. Taking out circulation on these bonds is of course a necessity, as it saves part of what would be otherwise lost; viz., the difference between the realized (actuary's) rate on the bonds and the bank rate for which they could loan the money they are forced to invest in the bonds. But a loss is still encountered on the large margin between the amount of circulation received and the market price of the bonds. It would simplify matters if the law should decrease this margin very considerably. Many National banks submit to this loss, because they gain credit with depositors by remaining in the national system. But even this advantage is being lost as the credit of State banks and their ability to accommodate customers increases. Business men do not look altogether for safety in depositing with a bank, they look also to the institution that will give them the largest line of accommodation in proportion to their deposits.

GOVERNMENT OR BANK NOTES —The bank currency advocates who oppose an exclusively Government currency on the ground that this is what the old Greenback party demanded, would do better if they would go on and show by argument that notes issued by banks are safer than those issued by the Government. The interest-bearing obligations of the Government are unanimously recognized as far more worthy of confidence than those of any corporation or individual, and as to redeemability in gold, the Government has now, for eighteen years, maintained it without a break, whereas, during the same period, the strongest banks in the country have four times defaulted in payment to their depositors.—*The Sun* (*New York*).

At one notable period when the banks "defaulted in payment to their depositors" (that is paid their balances to each other in clearing-house certificates) they assisted in loaning the Government over $200,000,000 in gold, which alone enabled the Treasury to maintain gold payments.

It is well, also, not to forget the losses caused the people of this country by the greenbacks, which were at a heavy discount almost from the time of their issue to the resumption of specie payments, although by law they were a full legal tender.

PRACTICAL BANKING DEPARTMENT.

HELPFUL HINTS DERIVED FROM EXPERIENCE.

IMPROVEMENTS IN THE BOSTON LEDGER.

Many banks throughout the country and many mercantile houses as well have been using what is called the Boston Ledger for many years past.

The reason it is called the Boston Ledger turns upon an interesting fact. To quote from a certain accountant who some time since was talking upon this point: "It is called the Boston Ledger," said he, "because it originated in New York."

As a result of careful inquiry I find the following to be the history of what is more correctly described as the "horizontal account" ledger. The prototype of what is at present in such extensive use was devised by the late Judge Underhill, one of the charter members of the Institute of Accounts, by the way, who got it up as far back as 1857 for the Park Bank, New York, for use in keeping track of the accounts of its country correspondents. The original ledger written up by this accountant, who was long in the employ of the bank mentioned, is still in existence, and is greatly treasured among the archives of the institution of which he was a charter member. The original horizontal account ledger differed from those which are in use at present in various respects, but for the most part merely in subdivisions and character of rulings. The balance column does not appear, the other columns being made to do double duty. From this beginning, according to the story that has come to me, the invention or improvement was given by the officers of the Park Bank to several other banks in New York, and also to certain of their correspondents in other cities. In this manner the horizontal account ledger found its way to Boston where, as seed, it encountered fertile soil. It was taken up, somewhat improved upon, definitely named after the city of its adoption, and extensively used. In the course of time an adaptation of it was made to mercantile uses, and from Boston the use of this form of ledger in mercantile and manufacturing establishments, as well as in banks, has spread to every part of the country.

From time to time minor changes have been made in this form of ledger, rendering it still more acceptable to the interests by which it is employed. An improvement made some time since consisted of folding over the edge of the narrow page in a way to transfer the balances from one page to another by a single writing of the amounts. This is now in use in hundreds of banks in different sections of the country. Other plans of carrying forward balances include loose slips, arranged to hang in place on one page in a way to conveniently receive the balances and then to hang in place as the page is turned in the second position for the purpose of transferring the balances. Still another plan perforates the narrow page in a way to produce a detachable portion by which in a similar manner the amounts are carried forward.

The Boston Ledger, or horizontal account ledger, consists essentially of first a space for writing the names of the accounts, and then vertical columns on the page or pages following representing periods of time, each one subdivided into debit, credit, and balance columns. The spaces representing time in bank work are of course restricted to days. In mercantile work they are usually devoted to months. The arrangement of the three columns in the time spaces varies according to circumstances. With banks the usual form is "Checks," "Deposits," and "Balances." The space devoted to checks is sometimes subdivided into "Detail" and "Total."

The amount of space that is apportioned, or depth of page to be alloted, to each account is governed by the activity of the account. If for example the largest number of checks for any one day is ten, then space for writing in ten accounts is amply sufficient. Accordingly it is usual, as the ledgers are constructed at the present time, to have two grades of rulings across the pages horizontally. By heavy lines or lines distinguished by color the page is divided into the regulation account spaces, while by faint interlinings across the time columns only each of these spaces in turn is divided into five to ten spaces for the convenient writing in of the check amounts.

With the names of the accounts once written, and the vertical time divisions following the same in place, it becomes a question of how many of these divisions, each devoted to a unit of time, can be used before it becomes necessary to rewrite the names. By constructing the book with alternate wide and narrow leaves, the narrow leaves, or interleaves as they are sometimes called, being adapted to fold over to the edge of the space where the names are written, the number of time spaces may be greatly increased. A very common construction is to provide one interleaf between each two wide pages. The first wide page is then divided into four spaces, the first of which is devoted to the names of accounts and the other three to periods of time. Three time periods are also indicated on each side of the interleaf, and the second wide page likewise carries three time periods, with its fourth space, provided by its extra width, devoted to "carrying forward." By this plan twelve time spaces are obtained so that the names of the accounts need to be rewritten only once in two weeks.

With books constructed with alternate wide and narrow leaves, as above described, there is an unpleasant and inconvenient drooping of the edges of the wide leaves where they project over the narrow leaves. Accordingly, as constructed by some makers, horizontal account ledgers are built with all the leaves originally of even width, but with perforations through alternate leaves, by which superfluous width is removed as the pages are used. In other words, the bookkeeper diminishes the width of the interleaves as the work progresses by tearing off very much the same way as detaching a check from its stub. This plan has the advantage of keeping the unused portion of the book level, or in a form to present an even writing surface. On the other hand, the used portion of the book has the edges of the wide leaves drooping in the same way as already mentioned. If instead of a single interleaf between two wide leaves, a plurality of interleaves should be used upon either of these plans, the effect of the drooping would be still greater.

An improvement which a short time since was introduced in horizontal account ledgers for use in mercantile establishments, and which has more recently come into use with certain banks, reinforces or thickens the edges of the wide leaves where they project beyond the narrow leaves. By this plan an even surface is maintained in the book at all times, both in the portion of the book that has been used and in the portion not yet written upon. It has the further advantage of making it possible to use as many interleaves to each pair of wide leaves as may be desired. For example, a book that I have recently inspected provides twelve interleaves between each pair of wide leaves. Each page of the interleaves carries three time divisions. The interleaves then, in each signature with the inclosing wide leaves each carrying also three time divisions, would cover seventy-eight time spaces in all, or thirteen weeks, thus making it necessary to rewrite the names of accounts only once a quarter.

The accompanying diagram, not in the least pictorial and with the differ-

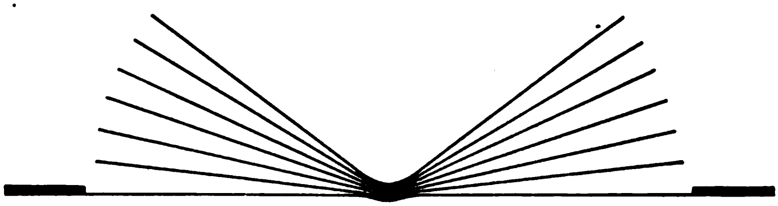


FIGURE 1.—Diagram of Boston Ledger with Plurality of narrow leaves and with wide leaves reinforced in their projecting edges.

ent parts somewhat out of proportion, the reinforcing of the wide sheets being exaggerated for the purpose of better conveying the idea, shows how a book of this kind would be constructed. There is represented a single signature and a ledger of this kind would be made up of as many signatures as the number of accounts would require. (See Figure 1.)

An improvement of altogether a different character in ledgers of this description has been recently made by Frank J. Sager, Cashier of the Exchange Bank at White Oaks, N. M., and is illustrated by the facsimile of a ledger page presented herewith. The page is from a depositor's ledger which has been put into use in the bank named. (See Figure 2.) The illustration shows two days' business complete, with the balances extended for the third day. From an inspection of the latter it will be seen that the credit column serves as the balance column, and that it is the first column in each time division that is written up. Referring also to the third day, October 22, in the example, the reader will readily see that the improvement consists essentially of the introduction of a special line drawn across the debit and credit columns, above which the balances are written, and below which appears the daily work, together with calculations for determining the balance to be carried forward.

Mr. Sager, in describing this improvement, says:

"The principal point of advantage possessed by this form of ruling is found in the substitution of the spaces above the special line (in practice ruled in red) across the upper part of the debit and credit columns in place of the Balance-Due-Depositors column in the old forms. The practical advantages of this change of form can be judged by observing the following routine in its use: In opening the book, all overdrafts and balances due depositors are entered in the debit and credit columns respectively above the special line. The rule is established that this space is never to be used except for overdrafts and balances carried forward. After the overdrafts and

Adams J. Q.
Arnold B.
Brooks F. B.
Chapman R.

Duff P.
Davis J.

Fenton M.
Foster A.

Gordon A.

Hosmer E. H.
Homan E. B.

balances are thus presented, the columns are footed, the footings being written in below the lower footing line of the page.

The daily work is as follows: Enter in detail all checks paid through the day in the columns entitled Debits in Detail, and extend the totals into the debit column below the special line already referred to. Enter all deposits in the credit column, also below the specially ruled line. Foot the debit and credit colums and enter the footing in the first line below the upper footing line of the page. Carry forward overdrafts or balances, as the case may be, of the several accounts into the proper columns for the next day's business.

When one or more deposits have been entered below a previous balance, the footings may be made in pencil and deductions and extensions made direct from the book. Foot the new balances and overdrafts, entering the footing below the lower footing line of the page. Add the total of new overdrafts to the total footing of the current day's credits, and deduct the total footing of the debit column for the current day from the sum of the total credits and new overdrafts, and the remainder will check with the balance due depositors at the close of the day's business, as shown below the lower footing line of the credit column for the day following."

Mr. Sager states further that in the use of the old forms of depositors' ledgers, where deposits and checks have been entered, it has been necessary, in his experience at least, to use a slip on which to make footings of balances and deposits, from which to deduct the checks paid. In using this form, footings are made in pencil in the book and the deductions are easily made, because the columns are adjacent, and accordingly there is no occasion for any confusion of figures. In making footings of columns, every figure appearing in the column is included. There are no partial footings or overdrafts in red figures to be skipped as memorandums. The pencil footings in the individual accounts are not made until after the columns have been footed. This he states is not the case with any other form with which he is acquainted. If an error occurs in extending balances, the memorandum pencil footings of each account are all before the bookkeeper, without the necessity of hunting up a stray scrap of paper to examine the additions and subtractions that have been made.

In the specimen sheet shown in the illustration, in the first day's business there are footed first the column entitled Debits in Detail, by which is proven the extensions into the debit column. The calculation of this account would never be made except in cases where there is a failure to get a balance in the general statement, a fact which reveals an error in the depositors' accounts. In such cases recourse to this proof would soon locate the page on which the error occurred. A. O. KITTREDGE, F. I. A.

ACCESS TO SECURITIES.

Some banks carry heavy investments in stocks, bonds, mortgages, etc., also large amounts as collateral for loans. These should be kept securely, and a proper record made in a register prepared for that purpose, which should be kept by a clerk, and the entries made from vouchers accompanying the securities. The voucher for the withdrawal of securities should be in the form of a receipt. The officer withdrawing the securities should be permitted to do so only in the presence of a second party designated by the board.

BANKING LAW DEPARTMENT.

IMPORTANT LEGAL DECISIONS OF INTEREST TO BANKERS.

All the latest decisions affecting bankers rendered by the United States Courts and State Courts of last resort will be found in the MAGAZINE'S Law Department as early as obtainable.

Attention is also directed to the "Replies to Law and Banking Questions," included in this Department.

FRAUD OF OFFICER—WHEN NOT IMPUTED TO BANK.

Supreme Court of South Carolina, August 31, 1897.

KNOBELOCH *vs.* GERMANIA SAVINGS BANK (TWO ACTIONS).

Where the President of a bank withdraws from the bank moneys deposited in his name as trustee with the intention of misapplying the same, the bank is not charged with his knowledge of the intended fraud.

These actions were brought to recover in the aggregate $7,728.48, with interest, from the Germania Savings Bank and the estate of Jacob Small. The decree below dismissed the actions as to the Germania Savings Bank, and the appeal was therefrom.

The complaint, in substance, alleged that in February, 1891, Jacob Small, then being director and President of the Germania Savings Bank, directed said bank to pay over to him, and did take from said bank, the sums of $2,000 and $5,720.48, aggregating $7,728.48, besides interest, the property of the estate of William Knobeloch, Sr., of which estate said Jacob Small was the executor, and then intended to and did misappropriate and convert same to his own use, and not to the use of the said estate of William Knobeloch, Sr., all with the knowledge of the said bank, and without the knowledge of the *cestuis que trustent* of said estate. Jacob Small was a director and President of the Germania Savings Bank, and "took a general interest in and an active supervision over the bank's business" at the time of the transaction complained of.

On December 31, 1890, there was on deposit in the Germania Savings Bank $30,910.98 to the credit of Jacob Small and William Knobeloch, Jr., executors of William Knobeloch, Sr., deceased. The co-executor, William Knobeloch, Jr., died in May, 1890, leaving Jacob Small surviving executor. In January and February, 1891, all of this fund except $7,728.48 was duly paid to or set apart for the *cestuis que trustent* entitled thereto. Of this last-mentioned sum, to which the plaintiffs *cestuis que trustent* were entitled, Jacob Small, on check in proper form, as executor, drew $2,000 February 7, 1891, which was paid to him by the teller of the bank, whose duty it was to pay out money, who took Small's receipt therefor as executor, and on February 28, 1891, Small drew out in cash the remaining $5,728.48, which was paid to him by the same teller on Small's check as executor, and his receipt therefor. Small misappropriated this money, and on December 5, 1893, died. On February 5, 1891—the day before Small drew out the $2,000—the plaintiff, Jacob Knobeloch, was duly appointed as co-trustee with Jacob Small. On February 7, 1891, Small delivered to the plaintiff a sealed envelope, and said, "Jacob, put this in your box." This envelope was opened after Small's death, and there was found therein the following paper: "February 7, 1891, due estate of William Knobeloch, Sr., $2,000 on the share belonging to Mrs. Fred. Ostendorff. [Signed] Jacob Small." This led to the discovery of Small's breach of trust.

Under the pleadings, the following issues of fact were submitted to a jury: "(1) When Jacob Small, on or about February 28, drew out of the Germania Savings Bank, of Charleston, S. C., $5,728.48, then on deposit in said bank to the credit of Jacob Small and William Knobeloch, executors of William Knobeloch, Sr., did he draw the same with the intent and for the purpose of misappropriating and converting the same to his own use? (2) Did said bank, at the time said money was drawn out as aforesaid, have notice that Jacob Small was drawing the same with the intent and for the purpose of misappropriating and converting the same to his own use?"

Similar issues were submitted in the action for the $2,000. The jury in both actions responded "Yes" to the first question, and "No" to the second.

No effort was made to set aside this finding of the jury. A decree was accordingly made in which the circuit court concurred in the finding of the jury, and, *inter alia*, dismissed the complaint against the defendant bank.

JONES, *J.* (omitting part of the opinion): The circuit court having committed no error in his ruling on the trial of the issue of fact before the jury, such finding is conclusive here. It is established therefore in this case: (1) That Small drew out the said deposit in the defendant bank with intent to misappropriate it and convert it to his own use; (2) that the bank at the time the money was drawn out had no notice of Small's fraudulent intent. This negatives both actual and constructive notice. Under the issue presented and the charge of the judge the jury in reaching their conclusion necessarily determined that Small, when he drew out the deposit, was acting for himself in his character as depositor, and in no way for the bank. Hence it follows that the bank was in no wise concerned with Small's breach of trust as executor, and the complaint against it was properly dismissed. The decree and opinion of the circuit court is not only free from error but is commendable for its lucid exposition of the iaw of imputed knowledge as applicable to the case.

The principles announced are well supported by the authorities. By the text-books, see Story, Ag. § 140; Ang. & A. Corp. §§ 308, 309; 2 Cook, Stock, Stockh. & Corp. Law (3d Ed.) § 727; Morse, Banks, §§ 104, 317; 1 Am. & Eng. Enc. Law, 423; by the law of England, see *Kennedy* vs. *Green*, 3 Myine & K. 699; *Espin* vs. *Pemberton*, 3 De Gex & J. 547; *In re* European Bank, 5 Ch. App. 358; *In re* Marseilles Extension Ry. Co. 7 Ch. App. 161; *Rolland* vs. *Hart*, 6 Ch. App. 678; *Cave* vs. *Cave*, 15 Ch. Div. 639; by the courts of the United States, see *The Distilled Spirits*, 11 Wall. 356; *Bank* vs. *Tompkins*, 6 C. C. A. 237, 57 Fed. 20; *Investment Co.* vs. *Ganzer*, 11 C. C. A. 371, 63 Fed. 647; *Hudson* vs. *Randolph*, 13 C. C. A. 402, 66 Fed. 216; *Thomson-Houston Electric Co.* vs. *Capitol Electric Co.* 12 C. C. A. 643, 65 Fed. 341; by many of the State courts, see the following cases: *Frenkel* vs. *Hudson*, 82 Ala. 158, 2 South. 758; *Innerarity* vs. *Bank*, 139 Mass. 332; 1 N. E. 282; *Wickersham* vs. *Zinc Co.* 18 Kan. 481; *De Kay* vs. *Water Co.* 38 N. J. Eq.

158; *Winchester* vs. *Railroad Co.* 4 Md. 231; *Bank* vs. *Burgwyn* (N. C.), 14 S. E. 623. See also note to *Bank* vs. *Chase*, 39 Am. Rep. 331; note to *Bank* vs. *Whitehead*, 36 Am. Dec. 188; note to *Bank* vs. *Irons*, 3 Fed. 10; and note in *Trentor* vs. *Pothen* (Minn.), 24 Am. St. Rep. 228 (s. c. 49 N. W. 129).

The latest utterance on the subject we have seen is from the Supreme Court of Pennsylvania (*Gunster* vs. *Power Co.* 37 Atl. 550), as follows:

"The rule that knowledge or notice on the part of the agent is to be treated as notice to the principal is founded on the duty of the agent to communicate all material information to his pricipal, and the presumption that he had done so. But legal presumption ought to be logical from the natural and usual conduct of men under the circumstances. But no agent who is acting in his own antagonistic interest, or who is able to commit a fraud by which his principal will be affected, does in fact inform the latter; and any conclusion drawn from a presumption that he has done so is contrary to all experience of human nature. If it be urged, as in some cases, that the principal, having put the agent in his place, should as a matter of public policy be held answerable for all the latter does, a sound answer is suggested by the court in *Allen* vs. *Railroad Co.* 150 Mass. 200, 22 N. E. 917, that an independent fraud committed by an agent on his own account is beyond the scope of his employment, and bears analogy to a tort wilfully committed by a servant for his own purposes, and not as a means of performing the business intrusted to him by his master."

The rule imputing to the principal the agent's knowledge is by some courts based upon the reason that the agent is substituted for the principal, has legal identity with the principal and under the operation of this reason the principal is more inflexibly held bound by the agent's knowledge. Other courts—by far the majority—including our own, base the rule on the ground that it is the duty of the agent to communicate to his principal all knowledge which he possesses material to the principal's business, and the presumption that he has done that duty.

Under the operation of this reason what are sometimes called exceptions or qualifications to the rule have grown up. For example, an agent is not presumed to have communicated to his principal professional confidences received in representing a third person (*Akers* vs. *Rowan*, 33 S. C. 473, 12 S. E. 165), or knowledge acquired while acting for himself or for a third person, and not for the principal (same authority), or where the knowledge is such that, according to human nature and experience, the agent is certain to conceal, or where the agent is acting in an adversary relation to the principal, or meditates a fraud against his principal or some third person in his own interest, which would be defeated by disclosure.

This last qualification is recognized in *Rapley* vs. *Klugh*, 40 S. C. 151, 18 S. E. 680, in which the note to *Bank* vs. *Chase* 39 Am. Rep. 331, is referred to. But what are sometimes spoken of as exceptions to the rules are not so much exceptions as they are facts or conditions which render the rule inapplicable.

"In the relation of the principal to a third party the undisputed rule exists that notice to the agent is notice to the principal, *if the agent comes to the knowledge of facts while he is acting for the principal.*" (1 Am. & Eng. Enc. Law, 419.) (Italics ours.) See, also, *Akers* vs. *Rowan*, 33 S. C. 473, 12 S. E. 172, where the Court said:

"The circuit judge overlooked the qualifications to the admitted general rule that notice to the agent is notice to the principal. Sloan, though he was at the time the solicitor of the bank, and one of its directors, did not acquire knowledge of the fact that suits were commenced against Robbins *while acting in either of these capacities.*" (Italics ours.) Speaking of the last-mentioned case, this Court, in *Rapley* vs. *Klugh*, 40 S. C. 151, 18 S. E. 686, said:

"The bank was exonerated from responsibility of knowledge of its agent (solicitor and director), because such knowledge of its agent was not acquired *while engaged in business for the bank, but was acquired while acting as the solicitor of Robbins himself.*" (Italics ours.)

In the case of *Bickley* vs. *Bank*, 39 S. C. 283, 17 S. E. 977, the court sustained the following charge by the circuit judge:

"If the President of the bank commits a fraud relative to the subject that does concern his duty to the bank in dealing and other persons having business with the bank, the corporation will be liable to such third person or persons for such acts and misdeeds of its President and agent."

This last case also shows that in the absence of evidence to the contrary it is not the duty of the President of a bank to receive deposits. From this it would seem to follow that, in the absence of evidence to the contrary, it is not the duty of a bank President to pay out deposits.

In the case at bar, although the President was shown to have a general supervision over the bank's business, it was shown to be the special duty of the teller to pay out the bank's money.

In the case of *Bank of Charleston* vs. *Bank of South Carolina*, 13 Rich. Law, 291, it was held that the plaintiff could not recover of the defendant money which defendant's teller, without authority borrowed from the plaintiff's bank from the teller thereof, who had no authority to lend money of the bank, which money defendant's teller secretly placed in his till to escape detection for having abstracted and fraudulently used the money of his bank, which borrowed money became mingled with the money of the defendant bank, and was afterwards used by the defendant's teller for his bank in current transactions. The Court said:

"Is the *bona fides* of the defendant bank in the transaction subject to just suspicion? On this head nothing has been imputed besides the constructive notice to the bank which has been supposed to arise from the knowledge of the fraud possessed by its officer, Miller. *But this knowledge was not acquired or used by Miller in the course of his agency as teller. It was involved in his own misconduct, and served only his own unworthy purpose.* (Italics ours.) It would be as just to estop the plaintiff by the guilty knowledge of Johnson (its teller) as to affect the defendant by the secrets shut up in Miller's breast."

So that the final test of this case is, was Small, in drawing out the money in question, acting within the scope of his agency as President of the bank? This question, as said before, has been conclusively established by the jury, under the charge of the judge, in the negative. But, if it were not so, it is manifest that he was not so acting. (1) It was not the duty of Small, as President, to pay depositors' checks, and according to the evidence the bank performed such acts through its teller, as a rule, and in this particular case payment was made by the teller. (2) Small, in drawing out the deposit, was acting as crediting depositor in adversary relation to the bank paying as debtor. (3) There was not the slightest evidence that the bank had any interest or profit in the transaction, except to discharge its duty to honor its customer's check in proper form. (4) Small's secret and fraudulent purpose to misappropriate the money was locked in his own breast, and could not have been disclosed without defeating his scheme to commit the money to his own use.

Exceptions overruled. The judgment of the circuit court is affirmed.

ALTERATION OF PROMISSORY NOTE—ADDING WORD "FIXED"—MEANING OF TERM.

Supreme Court of Georgia, January 21, 1897.

STEINAN, *et al.*, *vs.* MOODY.

Upon a promissory note due otherwise than at sight or on demand, and payable at a chartered bank in this State, the maker is entitled to three days of grace, and a waiver of demand, protest, and notice of non-payment is not a waiver of the right to days of grace. An alteration in such a note made by the holder, with intent to defraud the maker, which consisted in inserting in the note the word "fixed," the legal significance of which was to render the note payable absolutely upon the day named therein, thus excluding the three days of grace, is a material alteration, which changes the obligation of the maker; and in a suit upon such a note a plea alleging such facts was improperly stricken out on demurrer.

(Syllabus by the Court.)

ATKINSON, *J.:* The note sued upon was payable at a bank. Civ. Code, § 3688, embraces two distinct features of legislation. It undertakes to enumerate the instances in which an indorser upon a promissory note is entitled to notice of protest and of non-payment at maturity, and likewise to classify the commercial papers upon which days of grace shall be allowed. It provides that protest shall not be necessary except in the following instances:

(1) When a paper is made payable on its face at a bank or banker's office. (2) When it is discounted at a bank or banker's office. (3) When it is left at a bank or banker's office for collection—and then proceeds to declare that in all such cases days of grace shall be allowed.

The words "all such cases" are not to be limited in their significance to those cases in which protest for non-payment is actually necessary, but they are to be taken as enumerating the classes of commercial papers upon which days of grace are allowed, and as well upon which protest, in the absence of a waiver thereof, is required. Days of grace have ceased to be days of mere favor. They are now, by express legislation, days of right; and that it was the intent of the Georgia Legislature to extend this right to the three classes of papers above enumerated seems to us to be manifest when we read section 3680 of the Civil Code, which undertakes to designate the class of commercial paper upon which days of grace are not allowed.

The section of the Code first above referred to, it will be seen, designates the particular classes of paper upon which days of grace are allowed; and the section last above referred to designates in a general way the class of paper upon which days of grace are not allowed, and provides:

"The three days generally known as 'days of grace,' and by custom allowed on papers payable at banks or broker's offices, shall not be allowed upon any bill or draft payable at sight."

Section 3680 recognizes the binding force of the custom which theretofore grew up, and had become a part of the law merchant, but limited its application to papers other than those drawn at sight. This Act was passed in 1850.

Some doubt having arisen as to the class of papers upon which days of grace was allowable, it having been ruled by this court that days of grace were not allowable upon papers payable at places other than chartered banks (see *Dalton City Co.* vs. *Haddock*, 54 Ga. 584, and *Banks* vs. *Besser*, 56 Ga. 201), afterwards (see Acts 1876, p. 18) the Legislature passed an Act, the provisions of which were incorporated in section 3688 of the Civil Code, and which expressly allowed, in favor of the class of papers therein enumerated, three days of grace. This right, as we have said, exists by statute, independently of any necessity for the protest of a paper; and therefore a waiver of protest does not amount, in law, to a waiver of the days of grace allowed by statute.

While grace, protest, and notice of non-payment, as was remarked by Justice Bleckley in the case first above cited, "are members of the same commercial family," they are not so intimately connected that they cannot be dissociated, and a person may well waive the one without abandoning at the same time his right in the other.

The word "fixed" introduced into a commercial paper seems to have a well-ascertained legal significance. It means that the paper in which it is written shall be payable upon the exact date named for its maturity, and its insertion by the maker is the legal equivalent of a waiver of his days of grace.

Aside from this, however, the plea alleged and the evidence showed the significance of the term according to its general acceptation among persons engaged in commercial transactions.

This being true the insertion of the word "fixed" in the note by the holder, after its execution by the maker, had the effect of changing the nature of the obligation of the latter, and to cause his paper to mature three days earlier than it would otherwise have done.

It was a material alteration of the contract of the maker, ingrafted upon it a new obligation, and, therefore, he having pleaded and proved the alteration, the court erred in striking his plea and excluding the evidence.

Judgment reversed.

PROMISSORY NOTE—PRESENTMENT FOR PAYMENT—WAIVER.

Supreme Court of Iowa, October 14, 1897.

CLOSZ, *et al.* *vs.* MIRACLE.

Where there are several makers, not partners, presentment for payment must be made to them all in order to hold an endorser.*

Mailing a letter to the maker is not a sufficient demand of payment.

If a waiver of demand and notice is relied upon it must be pleaded.

Cy and Katie Ashpole executed to James Miracle their note of $125, dated March 31, 1893, payable September 15 of the same year. About June 27, 1893, Miracle sold this note to the plaintiff, indorsing it in blank.

LADD, *J.*: The indorsee and the makers of the note lived in the same

* Where the makers are partners presentment to any one of them is sufficient, even though there has been a dissolution of the firm. (*Gates* vs. *Beecher*, 60 N. Y. 518; *Cayuga County Bank* vs. *Hunt*, 2 Hill, 635. See also Negotiable Instruments Law, Laws of N. Y. 1897, Ch. 612, secs. 137-138.)

neighborhood, and no excuse appears in the record for the failure to present the note and demand payment personally or at the residence or place of business of the makers.

The statute permits notice by mail to the endorsers, but the law merchant controls with respect to presentment and demand. (Code 1873, §2095.)

In this case the endorsees, Closz and Mickelson, mailed letters to the makers, Cy Ashpole and Katie Ashpole, some time before the day the note matured, demanding payment. Cy Ashpole called upon the indorsee and stated that he could not make payment, and it is said that this obviated the necessity of a demand. (See *Gilbert* vs. *Dennis*, 3 Metc. [Mass.] 495.) But presentment and demand on all the makers are required before the indorser may be held liable. (*Blake* vs. *McMillen*, 22 Iowa, 358; 33 Iowa, 150; *Bank* vs. *Orvis*, 40 Iowa, 332.)

The note was never presented to or payment demanded of Katie Ashpole, and the mailing of the letters referred to is the only evidence thereof. That under such circumstances the indorser will not be held has been expressly determined by this court. (*Graul* vs. *Strutzel*, 53 Iowa, 712. See also *Bank* vs. *Green*, 11 Iowa, 476.)

Whether the demand and notice were waived was not in issue. The petition alleged demand and notice, not waiver thereof. To be of any avail a waiver must be pleaded. (*Lumbert* vs. *Palmer*, 29 Iowa, 104; *Peck* vs. *Schick*, 50 Iowa, 281.) Nor was such an issue supported by the evidence. The indorser, before he may be said to have waived demand on the makers, must be shown to have had knowledge of the facts which in law discharged him from liability. (*Ballin* vs. *Betcke*, 11 Iowa, 204; *Hughes* vs. *Bowen*, 15 Iowa, 446; *Freeman* vs. *O'Brien*, 38 Iowa, 406.)

NOTE TO ORDER OF MAKER—WHEN COMPLETE.

Supreme Court of Louisiana, June 10, 1897.

SUCCESSION OF RABASSE.

Where a promissory note is drawn to the maker's own order it is not complete until indorsed by him.*

This claim was based upon a promissory note drawn by the decedent to the order of himself, and alleged to have been given to one Maury.

NICHOLLS, *C. J.* (omitting part of the opinion): We agree with the district court that the instrument declared on can be sustained neither as a contract to do nor as a contract to give—neither as a note nor as a donation. The instrument by its very terms shows that it was contemplated that an additional act would have to be performed in order to make it as such a perfected instrument. (Civ. Code, Arts. 1905, 1906.)

An instrument by which the maker engages to pay a certain sum of money on the order of the maker which has never received the indorsement, upon the fact of which indorsement alone a promise of payment had been made, is incomplete, and in that condition could not as a note be enforced against the maker.

Delivery by the maker to a particular person, even though accompanied by words indicative of a gift or donation of the same, does not stand in lieu

* See Negotiable Instruments Law, Laws of N. Y., Ch. 612, Sec. 320.

of, is not a substitution for, nor is it the equivalent of, an indorsement. The situation does not correspond at all with that of the delivery by the holder of a note to whose order it was payable to a third person accompanied by words of assignment. In the one case there would be a verbal assignment of a perfected thing; in the other, of a thing which would pass into the hands of the party who had received it, with something requiring still to be done to give it existence.

PROMISSORY NOTE—SEAL OF CORPORATION.

Supreme Court of South Dakota, October 5, 1895.

LANDAUER *vs.* SIOUX FALLS IMPROVEMENT COMPANY.

A promissory note made by a corporation does not lose the quality of negotiability by hav- attached thereto the seal of the corporation.*

FULLER, *J.* (omitting part of the opinion): This action upon a promissory note, negotiable in form for $5,000, executed by, made payable to, and bearing the blank indorsement of, the defendant corporation, together with the guaranty of its co-defendants, resulted in a judgment for the defendants from which and from an order overruling a motion for a new trial plaintiff appeals.

It is shown by the evidence that when executed and indorsed the note was placed in escrow with D. M. Hillis, to be delivered to A. F. Smith only upon condition that the latter should deliver for the defendant corporation, at Sioux Falls, certain machinery, assignments of patents, and other property; and notwithstanding Smith failed to perform any of these conditions the note was delivered to him in violation of the express contract of the parties, without authority and without any consideration. Plaintiff claims to be a *bona fide* holder or, in the language of the statute, "an indorsee in due course." (Comp. Laws, § 4487.)

As an entire failure of consideration and an unauthorized delivery of the note to Smith are shown, plaintiff cannot recover unless he is an indorsee in due course. (Id. §§ 4486, 4488.) Plaintiff was not sworn and the only evidence touching his connection with the paper was its production at the trial and the deposition of Joseph Spiro, of Pontiac, Ill., who testified in substance that he purchased the note before it became due of a stranger by the name of Beattie, through the agency of Albert Schoenbeck, real estate dealer in Chicago (after inquiring of two Sioux Falls banks regarding the standing of the maker and the guarantors), for $4,050 in currency, and without having learned anything prejudicial or detrimental to the note or anything against its character in any way.

Respondents contend that as the makers' corporate seal is affixed to the note it is negotiable; citing *Heffleman* vs. *Pennington Co.* 3 S. D. 162, 52 N. W. 851.

This position is untenable. The Civil Code declares that "all distinctions between sealed and unsealed instruments are abolished." (Comp. Laws, § 3549.)

The Code of Civil Procedure provides that the period within which an

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* This is the rule of the Negotiable Instruments Law. (See Laws of New York, 1897, Ch. 612, Sec. 25. See also *Chase National Bank* vs. *Faurot*, 149 N. Y. 532; *Weeks* vs. *Esler*, 143 N. Y. 374.)

action on a sealed instrument can be commenced is twenty years. (Id. § 4849.) These apparently inconsistent provisions were incorporated in the revision of 1877. The several codes then adopted are deemed to have been passed on the same day and as parts of the same statute. If the provisions of one code conflict or contravene the provisions of another, the provisions of each must prevail as to all matters and questions arising thereunder out of the same subject-matter. (Rev. Codes, 1877, p. 900; *State* vs. *Smith* [S. D.] 67 N. W. 619.) The only point decided in *Heffleman* vs. *Pennington Co.* is that county warrants with the county seal attached are sealed instruments within the meaning of the statue of limitations; and the court expressly restricts the effect of its decision to that one question.

Effect must be given to the Civil Code and the law in this jurisdiction should be stated thus: "There are no distinctions between sealed and unsealed instruments except as to the statute of limitations."

AUTHORITY OF OFFICER—IMPLIED POWERS.

United States Circuit Court of Appeals, Ninth Circuit, June 7, 1897.

COX *vs.* ROBINSON.

Whenever in the usual course of the business of a bank the President or other officer has been allowed to manage and control its affairs, his authority to represent and bind the corporation may be implied from the manner in which he has been permitted by the directors to transact its business.

This was an action by the Receiver of the First National Bank of Arlington, Oregon, to recover from the defendant the amount of a judgment which the bank had obtained against one Cecil, the defendant having become surety for the amount thereof upon the release of an attachment which had been levied upon the property of Cecil. This judgment had been assigned to the defendant by J. E. Frick, Vice-President of the Bank, the case timed upon the point whether the Vice-President had authority to make such assignment. The question was submitted to the jury and decided by them in the affirmative.

HOWLEY, *District Judge* (omitting part of the opinion): The jury had the right to fairly infer from all the evidence that Frick had the authority, with the knowledge and consent of the directors of the bank, in relation to the powers usually exercised by the Vice-President, and the custom and usage of the bank in its general business dealings with its customers in the community, to make the contract with Robinson for the bank. It is unnecessary to attempt any general definition of the duties of the respective officers of banking corporations. The usage is not uniform in different cities, and sometimes not the same in different institutions in the same city. Country banks, and banks in small towns and cities, have different rules from those in large cities. Of course, there are certain general rules as to the duties of the Cashier, teller, President, or directors.

Courts have oftentimes recognized the fact, and have frequently decided that these officers have or have not either exclusive or concurrent powers to do certain acts of the nature designated in the particular case. Customs have sprung up from the necessity and the convenience of business in certain localities, and have prevailed in duration and extent until they have acquired in such localities the force of law. In the present case it is the exceptional class with which we have to deal.

It is now well settled by the weight of reason and authority that whenever, in the usual course of the business of the corporation, the President or other officer has been allowed to manage and control its affairs, his authority to represent and bind the corporation may be implied from the manner in which he has been permitted by the trustees or directors of the corporation to transact its business.

The acting head ofthe corporation, whether it is the President, Vice-President, Cashier, or general manager, through whom and by whom the general and usual affairs of the corporation are transacted, which custom or necessity has imposed upon the officer—such acts being incident to the execution of the trust reposed in him—may be performed by him without express authority; and in such cases it is immaterial whether such authority exists by virtue of his office, or is imposed by the course of business as conducted by the corporation. (*Mining Co.* vs. *Anglo-Californian Bank*, 104 U. S. 192, 194; *Sparks* vs. *Transfer Co.* 104 Mo. 531–539; *Washington Sav. Bank* vs. *Butchers & Drovers' Bank*, 107 Mo. 134, 144; *Lee* vs. *Mining Co.* 56 How. Prac. 373; *Bank of Batavia* vs. *New York, L. E. & W. R. Co.* 106 N. Y. 195, 199; *Calvert* vs. *Stage Co.* 25 Or. 412, 414; *Ceeder* vs. *Lumber Co.* 86 Mich. 541; *Davenport* vs. *Stone* [Mich.] 62 N. W. 722; *Libby* vs. *Bank*, 99 Ill. 622, 630; *Kraniger* vs. *Building Association* [Minn.] 61 N. W. 904; *Dougherty* vs. *Hunter*, 54 Pa. St. 381; *Hamm* vs. *Drew*, 83 Tex. 77; *Carrigan* vs. *Improvement Co.* 6 Wash. 590; *Bank* vs. *Wintler* [Wash.] 45 Pac. 38; 1 Mor. Priv. Corp. § 509; 4 Thomp. Corp. § 4883.)

In *Merchants' Bank* vs. *State Bank* (10 Wall. 604, 644), which was a case involving the power and authority of the Cashier of a State bank to buy and sell exchange, coin, and bullion, and to certify checks as being "good" and thereby to bind the bank for the payment thereof, the trial court instructed the jury to find a verdict for defendant. The questions argued by counsel were in several respects similar to the argument of counsel in this case. Referring to the subject of the authority of the Cashier to make the purchase of the coin and bullion, the Court said:

"(2) It should have been left to the jury to determine whether, from the evidence as to the powers exercised by the Cashier with the knowledge and acquiescence of the directors, and the usage of other banks in the same city, it might not be fairly inferred that Smith had authority to bind the defendant by the contract which he made with the Merchants' Bank. (3) Where a party deals with a corporation in good faith, the transaction is not *ultra vires* and he is unaware of any defect of authority or other irregularity on the part of those acting for the corporation, and there is nothing to excite suspicion of such defect or irregularity, the corporation is bound by the contract, although such defect or irregularity in fact exists. If the contract can be valid under any circumstances, an innocent party in such a case has a right to presume their existence, and the corporation is estopped to deny them. The jury should have been instructed to apply this rule to the evidence before them. The principle has become axiomatic in the law of corporations, and by no tribunal has it been applied with more firmness and vigor than by this court. Corporations are liable for every wrong of which they are guilty, and in such cases the doctrine of *ultra vires* has no application. Corporations are liable for the acts of their servants while engaged in the business of their employment in the same manner and the same extent that individuals are liable under like circumstances. Estoppel *in pais* presupposes an error or a fault, and implies an act in itself invalid. The rule proceeds upon the consideration that the author of the misfortune shall not himself escape the consequences, and cast the burden upon another. Smith was Cashier of the State Bank. As such he approached the Merchants' Bank. The bank did not approach him. Upon the faith of his acts and declarations it parted with its property. The misfortune occurred through him, and, as the case appears in the record, upon the plainest principles of justice the loss should fall upon the defendant. The ethics and the law of the case alike require this result. Those who created the trust, appointed the trustee, and clothed him with the powers that enabled him to mislead, if there were any misleading, ought to suffer, rather than the other party."

As to the Cashier's powers to certify the checks the Court said:

"The questions whether the requisite authority was not inferable, and whether the principle of estoppel *in pais* did not apply, should in this connection also have been left to the jury."

In *Martin* vs. *Webb* (110 U. S. 7, 45), the Court, in considering the power and authority of a Cashier to bind the bank in the transaction of business which is ordinarily solely within the power of the board of directors, said:

"It is quite true, as contended by counsel for appellants, that a Cashier of a bank has no power, by virtue of his office, to bind the corporation, except in the discharge of his ordinary duties, and that the ordinary business of a bank does not comprehend a contract made by a Cashier—without delegation of power by the board of directors—involving the payment of money not loaned by the bank in the customary way. (*Bank* vs. *Dunn*, 6 Pet. 51; *U. S.* vs. *City Bank of Columbus*, 21 How. 356; *Merchants' Bank* vs. *State Bank*, 10 Wall. 604.) Ordinarily he has no power to discharge a debtor without payment, nor to surrender the assets or securities of the bank. And, strictly speaking, he may not, in the absence of authority conferred by the directors, cancel its deeds of trust given as security for money loaned—certainly not unless the debt secured is paid. As the executive officer of the bank, he transacts its business under the orders and supervision of the board of directors. He is their arm in the management of its financial operations. While these propositions are recognized in the adjudged cases as sound, it is clear that a banking corporation may be represented by its Cashier—at least, where its charter does not otherwise provide—in transactions outside of his ordinary duties, without his authority to do so being in writing, or appearing upon the record of the proceedings of the directors. His authority may be by parol, and collected from circumstances. It may be inferred from the general manner in which, for a period sufficiently long to establish a settled course of business, he has been allowed, without interference, to conduct the affairs of the bank. It may be implied from the conduct or acquiescence of the corporation, as represented by the board of directors. When, during a series of years, or in numerous business transactions, he has been permitted, without objection, and in his official capacity, to pursue a particular course of conduct, it may be presumed, as between the bank and those who in good faith deal with it upon the basis of his authority to represent the corporation, that he has acted in conformity with instructions received from those who have the right to control its operations."

CHECK PAYABLE TO ORDER OF DECEASED PERSON—FORGED INDORSEMENT.

United States Circuit Court, District of Kansas, August 13, 1897.

UNITED STATES *vs.* FIRST NATIONAL BANK.

A pension check was drawn, in the regular course of business, and without knowledge of the facts, to the order of a deceased person. The individual who received it forged the payee's signature on the back, and presented it to the defendant bank, from which it passed, for collection, through two other banks, which in turn, after collection, remitted the proceeds until they reached the defendant, which paid them over to the alleged owner. From the time when the Government subsequently discovered the facts, one of the intermediate banks was in voluntary liquidation, and the other was insolvent, and its assets were in the hands of a Receiver, and the alleged owner of the note was insolvent. *Held*, that the defendant was liable to the Government for the reimbursement of the amount collected, and that the Government was not chargeable with laches.

WILLIAMS, *District Judge:* It appears by the statement of facts in this case that one Mary L. Beard was an applicant for pension; that her application was duly considered by the Pension Commissioner, and in due course of time the pension was allowed her, and the United States pension agent at Topeka, Kan., issued a certificate to her, as the mother of Calvin L. Beard, a soldier in Company C of the 7th Illinois Cavalry.

The said pension certificate was issued on April 12, 1893, payable to the order of Mary L. Beard, in the sum of $1,364.40. The certificate or check was inclosed in an envelope addressed to Mary L. Beard, and deposited in the mails at Topeka, Kan.

It seems further from the agreed statement of facts that the said Mary L. Beard died prior to the issuance of said check, to wit, on January 7, 1893; and the letter containing the check came into the possession of E. A Beard, her grandson, who forged or caused to be forged the signature of said Mary L. Beard on the back of said check, indorsed it himself, and on April 13, 1893, he presented the said check to the officers of the defendant bank, and represented to them that he was the holder of said check, and that the signature of the said Mary L. Beard indorsed thereon was genuine.

At that time the said E. A. Beard was unknown to any of the officers of the bank, and he was required to have some person known to the officers of the bank identify him; and, being identified by some person known to the officers of the bank, he received the said check, and advanced thereon the sum of $364.40, and placed to the credit of the said Beard the sum of $1,000, subject to his check when the said pension check was paid.

On April 14, 1893, the defendant transmitted the said check to the National Bank of Kansas City, for collection; and the National Bank of Kansas City, on April 15, transmitted said check to the Merchants' National Bank of St. Louis for collection; and the said last-named bank, on April 17, presented the said check to the sub-Treasurer of the United States, in St. Louis, Mo., and it was paid by the Assistant Treasurer of the United States to the said National bank. The said Merchants' National Bank remitted the amount of said check to the National Bank of Kansas City, and the National Bank of Kansas City remitted the amount to the defendant bank, in the usual course of business.

At the date of discovery of said forgery by the Government, and since, the Merchants' National Bank of St. Louis has been in voluntary liquidation, and the National Bank of Kansas City has been insolvent, and its assets in the hands of a Receiver.

Afterwards, to wit, on April 26, the defendant bank paid to said E. A. Beard the amount remaining to his credit on deposit in said bank. The United States did not know that Mary L. Beard was dead at the date of the issuance of said check, nor until December 19, 1895, and had no intimation or knowledge concerning the same until that date. The said E. A. Beard, shortly after the payment of the amount by the said bank, became, and ever since has been, insolvent.

The questions of law involved in this case have been so often settled, and are so simple, that it would avail nothing for this court to indulge in any lengthy opinion in regard to it. The issuance of the check to said Mary L. Beard after she was dead was an act utterly void, and the check itself was absolutely void, and no act of any one could breathe into it the breath of life, or make it of any value whatever. When the defendant bank took the check from the said Beard, the grandson of the pensioner, it devolved upon it to know that he was the legal holder of the said check, and it paid the money out at its own risk and peril. This is true of any transaction of a similar nature, and is so held by all courts that have passed upon kindred questions. No laches of the Government can be attributed in this case, and cannot possibly afford any defense to the defendant. The loss sustained is by reason of its own neglect in paying the check. It has received from the Government of the United States the amount demanded in this suit, and there is no reason in law or equity why it should not be held responsible and reimburse the Government in the amount paid out. True it is that, if the bank had known of the forgery prior to the payment of the last thousand dollars, it could have saved itself in that sum, but the Government did not know of the forgery. It was in no attitude to know of it. The bank should have known that the indorsement was a forgery, and that the person who presented it was not the legal holder of the check. The Government has discharged its full duty by having the party arrested, tried and sentenced to the penitentiary for this offense. Under the agreed statement of facts and the law of this case, the Government is entitled to recover a judgment for the amount claimed in this case, and judgment will be entered accordingly.

TAXATION OF SAVINGS BANK—UNITED STATES BONDS.

Court of Appeals of New York, Oct, 12, 1897.

PEOPLE, *ex rel.* BRIDGEPORT SAVINGS BANK *vs.* BARKER.

The primary relation of a depositor in a Savings bank to the corporation is that of creditor, and not that of a beneficiary of a trust; and hence for purposes of taxation deposits are to be treated as liabilities.

United States bonds held by a Savings bank are to be deducted from the apparent surplus in making the assessment for purposes of taxation.

BARTLETT, *J.:* The relator is a Connecticut corporation, and was in 1894 the owner of certain shares of stock of National and State banks doing business in the city of New York, the market value of which was $49,934. The defendants assessed the relator upon the total amount of this stock.

Application was duly made to the defendants to vacate this assessment on the ground that the just debts of the relator exceeded the aggregate value of the shares. This application was refused. The special term reviewed the assessment on *certiorari*, and vacated it upon the ground that it was illegal, erroneous, and void. This order was unanimously affirmed by the appellate division.

The learned counsel for the defendants discussed upon this appeal two propositions, viz.: First, that the relator is not entitled to have deducted from its total gross assets, as a liability, the amount of its deposits, upon the theory that it is a debt; second, that the relator is not entitled to have dededucted from its apparent surplus, as an investment in property not taxable, $220,000, representing the market value of the United States bonds held by it.

As to the first proposition, it has been decided by this court that the primary relation of a depositor in a Savings bank to the corporation is that of creditor, and not that of a beneficiary of a trust. (*People* vs. *Merchants' and Traders' Savings Institution*, 92 N. Y. 7.) The bank is liable to pay the depositor the amount of his deposit, as a debt. This being so, it follows that the amount is to be deducted from the gross assets as a liability.

As to the second proposition, we think the value of the United States bonds should be deducted from the apparent surplus. The banking law of this State requires the shares of National and State banks to be assessed in the place where the bank is located, whether the stockholder resides there or not, but he is to be accorded all deductions and exceptions allowed by law in assessing the value of other taxable personal property owned by the individual citizen of the State. (Laws 1882, c. 409, § 312.)

The individual citizen is allowed to deduct from the value of his personal property his debts and such stocks as are otherwise taxable, and such other property as is exempt by law from taxation. In the case of the individual the amount invested in United bonds would be deducted, if held in good faith. It is urged in the case at bar by the commissioners that if the amount due depositors is deducted from the gross assets, as a liability, it must have included the United States bonds owned by the relator, as they were doubtless purchased with money received on deposit, and that to deduct the amount again would be to deduct $220,000 of the deposits twice.

We do not think this reasoning is sound. In ascertaining its apparent surplus the relator is entitled to deduct the amount due depositors, as a liability, and from that apparent surplus are to be deducted all the allowances accorded the private citizen in the assessment of his personal property. If the relator elects in good faith to invest its apparent surplus in securities that are not taxable under the laws of this State, the assessing officer is bound by the statute to recognize its right to do so. This rule of assessment has been repeatedly followed in this State. (*People* vs. *Coleman*, 135 N. Y. 231.)

It is unnecessary to go over in detail the figures in this case which have led the court below to hold that in the year 1894 the relator had no net surplus which was properly taxable. The learned counsel for the relator, while not conceding that figures of the appellants' brief are correct, insists that they show, when corrected, that the debts exceed the taxable assets as follows :

Gross assets	$4,089,334.33
Deduct item of "profit and loss" improperly treated as an asset.	34,322.79
True gross assets	$4,055,020.54
Deduct liabilities	3,722,765.75
Apparent surplus	$332,254.79
Deduct exemptions as stated by defendants' counsel, which includes United States bonds	357,206.60
Excess of liabilities	$24,951.81

The counsel for defendants insists that the second item in the above statement, called "profit and loss," which was treated as a liability in the return to the writ of *certiorari* herein, is an asset. If this position is sound, it would leave a net surplus of $9,370.98. We find nothing in the record which justifies the contention that this item of "profit and loss" is an asset, and an inspection of the original account contained in the return seems to indicate that it is a mere fiction of bookkeeping in balancing the books, and ought not to appear on either side of the account.

The order appealed from should be affirmed, with costs. All concur. Order affirmed.

SUIT AGAINST RECEIVER—REMOVAL.

United States Circuit Court, District of Washington.

FOLLETT *vs.* TILLINGHAST.

The Receiver of a National bank appointed by the Comptroller of the Currency cannot remove into the Federal court a suit brought against him in a State court, unless the amount involved exceeds two thousand dollars.

HANFORD, *District Judge:* This is an action at law against a Receiver of an insolvent National bank, appointed by the Comptroller of the Currency, to recover less than $2,000. The plaintiff has moved to remand the case to the Superior Court of the State of Washington for Pierce county, in which it was commenced on the ground that, as the amount involved is less than $2,000, this court has no jurisdiction. As I read the statutes defining the jurisdiction of the United States Circuit Court, and the decisions of the Supreme Court, the only civil actions involving less than $2,000 of which jurisdiction is given to United States circuit courts are cases in which the Government of the United States, or an officer thereof in his official capacity, is plaintiff; suits against the United States; cases between parties claiming lands under grants from different States; cases under the laws of the United States relating to patents and trade marks; cases under the postal and revenue laws; cases under the interstate commerce law; and cases which are ancillary to other cases pending in the same courts. (See 1 Supp. Rev. St. [2d Ed.] 611, note; *U. S.* vs. *Sayward*, 160 U. S. 493–498; *White* vs. *Ewing*, 159 U. S. 36–40.)

This case does not belong in either of the classes enumerated. The right of removal to this court was claimed on the ground that as the action is against the Receiver of a National bank, to reach funds in his official custody, it is a case arising under the laws of the United States, within the rule of the decision of the Supreme Court of the United States, in the *Railroad Removal Cases* (115 U. S. 1–25); but in the Sayward Case, cited above, the Supreme

Court has made it plain that jurisdiction is not given on this ground, unless the amount or value in dispute exceeds $2,000. The defendant is not an officer or agent of this court, and the case is not ancillary to any other case in this court. (*In re Chetwood*, 165 U. S. 443-462; *Hallam* vs. *Tillinghast*, 75 Fed. 849). Motion to remand granted.

NATIONAL BANK—SEED GRAIN LIENS.

Supreme Court of South Dakota, Oct. 5, 1897.

FIRST NATIONAL BANK OF PARKER *vs.* PEAVEY ELEVATOR COMPANY.

There is nothing in the National Banking Law which forbids a National bank selling seed grain on credit, to acquire the lien afforded by the State statute.

Even were such a transaction forbidden, only the Government could be heard to complain.

This was an action for the conversion of certain seed grain in which the plaintiff claimed a lien by virtue of the State statute.

HANEY, *J.* (omitting part of the opinion): The contention that plaintiff is forbidden by the national banking laws from furnishing seed grain and taking the statutory lien, and therefore its alleged lien is void, cannot be sustained. We are not aware of any law which prevents a National bank from selling grain of which it is the owner on credit, and availing itself of the security offered by the State statute. If, however, it be conceded that plaintiff was not authorized to sell seed upon the security of the lien, it does not follow that the lien is void, as the authority of the bank to do so can be questioned only by the Federal Government. (*Bank* vs. *Matthews*, 98 U. S. 621; *Bank* vs. *Whitney*, 103 U. S. 99; *Fortier* vs. *Bank*, 112 U. S. 439.)

If plaintiff complied with the State statute, it is entitled to enforce its lien to the same extent as a natural person.

REPLIES TO LAW AND BANKING QUESTIONS.

Questions in Banking Law—submitted by subscribers—which may be of sufficient general interest to warrant publication will be answered in this department.

A reasonable charge is made for Special Replies asked for by correspondents—to be sent promptly by mail. See advertisement in back part of this number.

Editor Bankers' Magazine: NORTHWOOD, N. Dak., Nov. 17, 1897.

SIR:—Can a bank be holden for not protesting a note sent to it payable at a neighboring town of such bank, the note having been sent for collection without advice to protest.

M. V. LINWELL, *Cashier.*

Answer.—This would depend entirely upon the arrangement between the bank and its customers or correspondent sending the paper. Without some arrangement which contemplates presentment of paper outside of the place where it is located, it would not be bound to make such presentment, but could return the paper to the sender.

Editor Bankers' Magazine: HUDSON, O., Nov. 26, 1897.

SIR:—It was a promissory note, transferred before maturity, for value, by the payee writing and signing on the back of the note: "For value received, I hereby guarantee the payment of the within note at maturity, or at any time thereafter, with interest at the rate of seven per cent. per annum, until paid, waiving demand, notice of non-payment and protest." Is this in any commercial sense an endorsement, and would it in any sense cut off the defenses of the maker?

EDWIN S. BENTLEY, *Cashier.*

Answer.—This is not technically an indorsement, but a guaranty. It is, nevertheless, a transfer of the title, if accompanied by delivery; and the transferee has the same rights as against the maker that he would have under an indorsement of the note from the payee. It has never been held that the effect of such a guaranty is to let in the equities of prior parties. The only effect is to make the liability of the party so signing that of a guarantor, instead of that of an indorser.

Editor Bankers' Magazine: BOSTON, Mass., Nov. 26, 1897.

SIR:—If a depositor makes a note payable at his bank and at its maturity there is a balance sufficient to pay, in the absence of specific instructions: (1) Is the bank in duty bound to pay it? (2) May it pay, and the maker have no redress? (3) Would the bank be liable for damages if it refused to pay without special instructions from the maker? CASHIER.

Editor Bankers' Magazine: SPRINGFIELD, Mass., Oct. 29, 1897.

SIR:—If a bank depositor makes his note payable at the bank should such bank, in the absence of explicit instructions from the depositor, pay and charge the note at maturity to his account when the note is not the property of the bank? Would a bank be safe in so paying or should it require an order from the depositor before doing so?

COLLECTION CLERK.

Answer.—This question does not appear to have been authoritatively determined in Massachusetts. The decisions in the other States are conflicting. In New York it has been held that "an acceptance or promissory note thus payable is, if the party is in funds, that is, has the amount to his credit, equivalent to a check, and is in effect an order or draft on the banker in favor of the holder, for the amount of the note or acceptance." (*Etna National Bank* vs. *Fourth National Bank*, 46 N. Y. 82; *Commercial Bank* vs. *Hughes*, 17 Wend. 94.) And a similar rule has been laid down by the Supreme Court of Pennsylvania. (*Commercial National Bank* vs. *Henninger*, 105 Pa. St. 496.) But in Tennessee it has been held that the bank is not authorized to pay the notes of its customers made payable at the bank. (*Grissons* vs. *Commercial Bank*, 87 Tenn. 350.) If there is a uniform custom among the banks of a place to pay such paper, the customer would be bound by such practice; and without such custom if the practice of his own bank in this particular was known to him, he would be deemed to have made the note with reference to it. Should the Negotiable Instruments Law be adopted in Massachusetts, it will lay the question at rest; for that law provides that "where the instrument is made payable at a bank it is equivalent to an order to the bank to pay the same for the account of the principal debtor thereon." (Laws of New York, Ch. 612, sec. 147.)

A GOLDEN OPPORTUNITY.—According to the official estimates of the Director of the Mint, the stock of gold in the United States has now reached the unprecedented amount of $712,-660,417. The additions made since the first of August are nearly $16,000,000, and more is sure to be imported. This increase is due to trade conditions, which are entirely natural and wholesome, but some of which will necessarily not be permanent.

Will there be any better time, can there be any better time, to reform our currency and to guard against any undue confusion when the conditions change? There is not a single interest in the country that would be injured by a law providing for the gradual reduction of the Government demand notes and the issue of a sound and elastic bank currency. There is no large body of people who would even fear that they would be injured by such a reform. And when once the change were made the inflow or outflow of gold would go on according to the requirements of trade without a ripple of excitement or apprehension as to the effect upon our currency or our credit.—*New York Times.*

REPORT OF THE SECRETARY OF THE TREASURY.

Following is the complete official text of the Annual Report of the Secretary of the Treasury relating to the currency:

TREASURY DEPARTMENT,
WASHINGTON, D. C., December 6, 1897.

THE CURRENCY.

In their respective annual reports to Congress my predecessors since the close of the Civil War have called attention with unfailing regularity to the menace to the public credit occasioned by the continued use of the large volume of demand liabilities, represented by the legal-tender notes, and have constantly appealed for such legislative action as would remove the dangers pointed out. Although these warnings and appeals have not as yet met with the responsive action that their serious nature justifies, it is not now the part of wisdom to ignore them. In fact, as time has gone on, all the reasons upon which these warnings and appeals were based have received additional force. The enormous depreciation in the commercial value of silver, as compared with gold, has greatly increased the financial responsibilities of the Government in its demand liabilities, and all the logical consequences of the fact should be boldly faced.

Under the Act of 1878, requiring the purchase and coinage of silver, supplemented and enlarged by the so-called Sherman Act of 1890, there were outstanding June 30, 1897, the sum of $410,337,570 in silver dollars or certificates representing them. Under the Act of 1890 there were also outstanding $114,867,280 in Treasury notes clothed with the quality of legal tender.

In the Act of November 1, 1893, repealing the purchasing clause of the Act of 1890, it was declared to be the policy of the United States to secure by safeguards of legislation "the parity in value of the coins of the two metals (gold and silver) and the equal power of every dollar at all times in the markets and in the payment of debts."

Conformable to the spirit of this declaration, the Treasury Department in all its operations has treated gold and silver coins, and the paper representatives of each, as of equal dignity and value. In the collection of its revenues, whether in the form of excise taxes or of customs dues, it has made discrimination against neither, while, upon the other hand, it has held itself ready to pay to the public creditor whichever of the two he might choose to receive as the more desirable to him. Even further than this, it has declared itself ready, whenever necessary to the maintenance of this parity, to exchange on even terms, at the pleasure of the holder, either form of the metallic money for the other. These practical operations and declarations were necessary, and they have operated to keep in concurrent circulation on terms of equality the two kinds of metallic money, notwithstanding the varying and never-ceasing disparity between the natural or commercial value of the one as compared with the other. Nevertheless, it must be recognized that this undertaking involves a large financial responsibility, and requires proper and adequate legislative provisions for its continued execution.

The responsibility of the Government in this respect means that in addition to its liability for redemption in gold on demand of $346,000,000 of legal-tender notes, it must also hold itself in readiness to redeem in like manner $114,000,000 of the Treasury notes of 1890, and to maintain through its Treasury the free interchangeability with gold, for any part or all of $470,000,000 in silver now current with our people. The aggregate total of these liabilities amounts to $930,000,000. It is not intended to convey the idea that the Government will ever be called upon to pay at any one time or over any one period of time, however protracted, the total of liability thus shown. It is, however, indispensable that the Treasury be endowed with power and resources ample to meet all claimants who may come, and with margin sufficient to give full assurance to all who do not come, that its ability for continuance is unimpaired. The statement that the traditional $100,000,000 of gold reserve is insufficient for these purposes need not be supported by argument. It is manifest. The recognized inadequacy of that amount has on more than one occasion brought fear and derangement to all interests, industrial, commercial, and financial. The losses suffered by the body politic through these derangements having their origin in the state of the public Treasury cannot be named, although it is not beyond the limit of reasonable estimate to say that the total of such losses exceeds the total of the demand liabilities of the Treasury as above set forth. If it be urged in answer to these considerations that the state of the Treasury is fairly satisfactory *now*, that gold is flowing freely toward the Treasury and not away from it, and that there is a good state of confidence in our present financial condition, the answer must be received as a perfectly correct one. It might be further urged with probable truth that these favorable conditions will endure for—an indefinite period. With public revenues sufficient for public expenditures, and a reasonable surplus accumulating; with trade relations normal, with ample crops carrying fair rewards to agriculture, with no war or well-defined rumors of war, we might go on with a growing sense of security. Unfortunately the continuance of these good conditions cannot be assured to us. Commerce and industry, sensitive to all unfavorable events, and watchful with anxiety against dangers as yet unseen, need for their full recovery from past reverses and depression a renewed confidence that the Government's finances are to be firmly placed on stronger and more enduring foundations than now exist.

As long as the Government shall operate to any important extent in supplying the currency of the country by the direct issues of its notes and by maintaining, through its guaranties of parity, so large a volume of silver money, so long will all our trade and industries remain in a state of dependency upon the financial wisdom, foresight, and courage of Congress. This forced dependency on the one part begets corresponding responsibility on the other.

Considered from the standpoint of national defense the argument is reinforced. We appropriate millions to create a navy, which, through the genius of invention, may speedily become obsolete and worthless. We appropriate other millions to provide coast defenses against attacks which may never be made. Such action, timely and wise as it may be, is inconsistent with a Treasury condition so extended in a time of peace as to bring panic and alarm to our own people before the first sound of the enemy's guns. In modern days a well-supplied war chest with an impregnable credit is as important as are war ships, shore batteries, or regiments of men.

The advantages of a strong position in the National Treasury, with its accompanying benefits to all commercial interests and great reinforcement of the public credit, can, I believe, be secured without any unsettling legislation, in a manner easy to be comprehended by all, and with small cost to the people.

The recommendations I make must be construed as tentative steps in a direction which, if consistently pursued, will ultimately lead to conditions theoretically desirable rather than as being in themselves final measures to that end. The condition of the Treasury in its relation to demand obligations requires that one of two steps be taken. The one may be a large reinforcement of the permanent gold reserve; the other may be by an important reduction in the objectionable form of liabilities. The latter is, in my opinion, the more desirable.

RECOMMENDATIONS.

First. I recommend that proper legislation be enacted which will establish, separate and apart from the ordinary operations of the Treasury as they relate to revenue and expenditures, a department to be designated and known as the Issue and Redemption Division. To this Division the sum of $125,000,000 in gold should be set over from the general fund in the Treasury, to be used only for redemption purposes, and all the silver dollars now held for redemption of silver certificates, and all the silver bullion and dollars coined therefrom, bought under the Act of 1890, should be passed to the same account. Further, that the sum of $200,000,000 in the legal-tender notes of the United States known as greenbacks be collected as hereinafter described, and deposited in the said Issue and Redemption Division, to be disbursed therefrom only upon the receipt in exchange therefor of an equivalent amount of gold coin. Such gold, when so secured, to be held in said division as part of the general redemption fund.

Refunding the Bonded Debt.

Second. I recommend that provision be made for the issue of refunding loan bonds, payable after ten years at the pleasure of the Government, such bonds to bear interest at the rate of 2½ per cent. per annum, payable, principal and interest, in gold coin; and that the Secretary of the Treasury be authorized to issue such bonds and receive in payment therefor, with an equitable allowance for the difference in interest, any part or all of the outstanding loans of the United States which mature by their terms of payment in the years 1904, 1907, and 1925.

The advantage involved in the proposed action lies in this: It removes an ambiguity from our contract obligations—an ambiguity which affects unfavorably the Government credit. The word "coin," now used to express the obligation in the public debt, is an ambiguous word. It is no doubt understood by the more discriminating public creditor to mean gold coin, and the solemn act of Congress pledging the maintenance of silver coin upon a parity with gold coin makes it impossible to construe the word "coin," as therein used, to mean anything other than gold or its full equivalent. Yet as this is a conclusion of logic rather than a clear statement of fact, the simpler and more humble investors or would-be investors in the public debt are confused and doubtful, and the public credit is the weaker therefor.

Nor is the course thus recommended without wise precedent. The earlier issues of our Government bonds were payable in "dollars." With greenbacks a legal tender, with gold and silver on a substantial commercial parity, but both at a large premium over paper money, a similar question arose, What did "dollars" mean? And in 1869, "to remove all doubt upon the subject," an Act was passed solemnly pledging the faith of the United States to the payment in coin or its equivalent of all its interest-bearing obligations, except when otherwise expressly provided in the law. The commercial disparity between our "legal-tender dollars" and "coin dollars" was not *then* essentially greater than the present commercial disparity between silver and gold. This Act of 1869 was judicious. To refund our outstanding bonds now payable in coin into bonds payable in gold would strengthen and confirm the public credit and put us in a position to command the markets of the world for our securities on the most advantageous terms.

It may be objected that the adoption of a specific form of payment for the public debt would be inimical to the spirit of a qualifying clause in the repealing Act of 1898, which reads: "And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value." If this objection be raised, it loses all force when we consider the only two methods by which the gold and silver coins now in concurrent use with us can be so continued as to maintain the "parity in value of the coins of the two metals and the equal power of every dollar at all time in the market and in the payment of debts."

One of these methods is familiar to us, since it has been in daily use in our financial system since 1879. The other method would consist in so advancing the coinage value of silver by international agreement or otherwise as to lend a natural parity between the two, so that the present artificial method could be safely abandoned. There is nothing in the proposition now under consideration to interfere with the purpose to secure an inauguration of the latter method. It must, however, be admitted to be a method which, if adopted, will operate to throw upon the governing body whatever measure of risk may be involved in the experiment, and it is manifestly just that there the risk should lie, rather than upon the helpless and possible non-assenting creditor.

Amending the National Bank Act.

To accomplish the objects herein suggested without contracting the circulation, some other form of paper money must be allowed to fill the vacuum which would otherwise be occasioned. The National bank note now familiar to our people is the readiest and most practical agent to accomplish that object, and under reasonable conditions it will be found responsive to the call.

An enlarged issue of bank notes thus contemplated would require a number of amendments to the present National Bank Act. These amendments should be made only upon such conservative lines as would, while granting the necessary aid to the business world in facilitating exchanges, in nowise weaken the system, or lessen the stability of the notes to be issued. The complaint uttered against the National Bank Act as it now stands is not directed toward the method of bank organization or the absolute safety guaranteed to the note holder. It is directed toward those restrictions it embodies, which result in its failure to accomplish the full benefit it ought to carry. The requirement of the law now makes it impossible to organize a bank with a capital of less than $50,000, no matter how small the place in which it is to be located, or how restricted the volume of business there to be transacted. Because of that, with the added expense of taxation, both national and local, many communities are deprived of the aid of banks of issue and burdened with onerous rates of exchange and interest charges.

In order to obviate to as great an extent as possible those objections and make the Act more harmonious with proper business conditions, I recommend that it be amended in the following particulars:

First. Permit National banks to be organized with a minimum capital of $25,000 in any place having a population of 2,000 inhabitants or less.

Second. Reduce the rate of taxation on circulating notes secured by deposit of bonds to one-half of 1 per cent. per annum.

Third. Permit banks now organized or hereafter organized to issue circulating notes to the par value of the refunding bonds hereinbefore suggested, when deposited by them with the Treasurer of the United States; and, further, allow such banks as shall avail themselves of the opportunity to deposit as security with the Treasury of the United States greenbacks, Treasury notes, or silver certificates to a total amount of $200,000,000, against which there shall at once be issued to them by the Comptroller of the Currency National bank notes to an equal amount, it being further provided that from time to time, at his convenience, the Secretary of the Treasury shall substitute for the greenbacks, Treasury notes and silver certificates so deposited to secure circulation, bonds of the same class and character as the refunding bonds first named to the amount of $200,000,000, such bonds to be chargeable to said banks and by them accounted for at such price (not less than par) as the market quotations may indicate to be their fair market value. During the period of time intervening between the deposit of greenbacks, Treasury notes and silver certificates and the substitution of the bonds by the Secretary of the Treasury, the circulating notes specifically issued therefor shall be exempt from taxation. Upon such substitution of bonds the funds released thereby shall at once be transferred by the Secretary of the Treasury to the Issue and Redemption Division.

Fourth. After said banks have deposited such bonds, greenbacks, Treasury notes, or silver certificates to the amount of 50 per cent. of their capital they shall be permitted to issue bank notes in addition to the 50 per cent. thus provided, to the extent of 25 per cent. of such deposit, which said 25 per cent. may be unsecured by any direct pledge of security but issued against the assets of the bank.

Fifth. Extend the guaranty of payment by the Government to all circulating notes of the bank whether issued against deposited security or against assets.

Sixth. To secure the Government against loss, if any, attaching to its guaranty a tax of 2 per cent. per annum on *unsecured* circulation shall be levied to create a safety fund, which fund shall be invested by the Secretary of the Treasury and the Comptroller of the Currency in Government bonds. In addition to such funds the Government shall be further protected by having a first lien upon all assets in case of failure of the issuing bank.

Seventh. All notes shall be redeemed in the City of New York at the sub-Treasury, and at such other sub-Treasuries as may be designated by the Comptroller of the Currency with the approval of the Secretary of the Treasury. The control of such redemption shall be under the direction of the Comptroller of the Currency and made from a redemption fund of 10 per cent., to be provided and maintained by the banks.

Eighth. Restrict the issue of National bank notes to the denomination of $10 and upward.

Would Afford Relief to the South and West.

An examination of the plan herein proposed will show that the amendments suggested are not of a distinctly radical character. It is believed that banks organized under the National Bank Act, with these amendments, would give upon a thoroughly safe basis a desirable credit currency leading ultimately to further freedom of issue as the result of time and experience. A careful investigation of the commercial conditions of the country at different periods of the year shows how essential to those sections depending upon the prompt moving of the staple crops of cotton, wheat, and corn is a bank-note issue which enables the local bank to supply its customers with the means necessary for such purpose within the shortest period of time and at the lowest cost. In illustration of this point attention is called to the extent to which the crop-producing sections of the country are now dependent as borrowers of money upon other sections.

The National banks located in the Southern States have an aggregate capital of $68,680,000. On October 6, 1896, they had borrowed largely from banks in the East, to assist in handling the cotton crop, $13,548,000. On March 9 following these loans had been reduced to $2,516,200. They succeeded in borrowing for a part of their needs, but commercial necessities required more. With proper banking facilities the necessity of such borrowing now existing would be reduced to a minimum.

I am confident that under an Act allowing a greater liberality of issue, and less burdensome rates of taxation, those banks would find it to their interest to issue, instead of $18,950,000, the amount which they have at present outstanding, a sum equal to the full amount of their capital, and, in addition, in the season of crop activity, an additional unsecured volume of circulation approximating 25 per cent. of their capital.

From data gathered from the records of the office of the Comptroller of the Currency it is found that during the existence of the National banking system 330 associations, having a combined capital of $55,000,000, have been placed in the hands of Receivers. Of the number of those in this list whose affairs are fully closed only eighteen, having a capital of $1,610,000, would have failed to pay in liquidation an amount sufficient to fully provide for their circulating notes, had such notes being outstanding to the full limit, as herein contemplated, at the time of their failures, respectively. The deficiency would have required to cover it a contribution from the guaranty fund of but $194,829. Had the whole number of 330 failed associations maintained in current use an amount of note issues equal to twenty-five per cent. of their capital, as herein proposed, the two per cent. tax on such circulation would have produced the sum of $2,454,140.48 available to meet the deficit of $194,824, shown to have resulted from the failure of the eighteen banks which failed to yield from their own assets the amount that would have been necessary to provide for all their own outstanding credit currency.

In submitting these recommendations, I am not unmindful of the convictions, preconceptions, and prejudices so widely prevalent among the people in much that relates to our currency and banking system. It will at once appear to many that the proposal herein made to place in conditional retirement the sum of $200,000,000 in our legal-tender (greenback) issues is a discrimination against a form of paper money, which, under the influence of a worthy sentiment, has become to them a symbol of the unity and power of the Nation's life. A little reflection, however, will lead to a conclusion quite to the contrary of such an inference. Bearing in mind the fundamental truth upon which this argument rests, viz., the necessity for a reduction in the volume of demand liabilities, now constituting a menace to the public Treasury, it is, economically speaking, a matter of indifference whether this reduction be made in the volume of silver, silver certificates, Treasury notes, greenbacks, or in some agreed upon proportions of each; but the historical fact is that it has been through the greenback, the only unalloyed credit note of the Government, that the "endless chain" has been worked. Once disbursed, these notes find their way, by a purely natural process to the banking centers, where in case of an outward movement of gold, or because of any internal movement of distrust, they have been a ready agency to deplete the gold reserve in the public Treasury. The proposition to retire a large portion of these notes into an issue and redemption division, there to be held until the public is willing to offer for them in fair exchange an equal sum in gold, is a proposition to dignify them with the honor of actual gold equivalency when they are *passed out*, as they have hitherto been honored with actual gold equivalency when pushed in upon the Treasury for redemption. The proposition is therefore quite different from a proposition to retire and destroy them. On the other hand, the proposal to thus preserve and honor them will excite objections from another class, who will allege that the notes now in question should be retired and utterly destroyed. They will aver that so large a sum, no matter how held, will prove an irresistible temptation to which Congress will yield when in some exigency extraordinary and pressing needs for public expenditure shall rest upon the Treasury, and that the restrictions now proposed, if adopted, will then be disregarded.

In considering this objection, it must be remembered that if it were granted full force and yielded to as a determinative objection, there is nothing whatever to prevent the law-making power from issuing at any time and in any amount the legal-tender notes of the United States to circulate as money. Such is the final opinion of the Supreme Court, from which there is no appeal. Neither must it be forgotten by such objectors that use and custom gradually acquire a restrictive power but little less binding than statutory enactment or constitutional prohibition.

The so-called Treasury reserve of $100,000,000 of gold has no warrant in specific legislation, although its propriety has been indirectly recognized by Congress, and yet there is a supreme confidence that no impairment in that provision will ever be authorized or sanctioned by Congressional action. The only real difference, then, between holding these Government notes in a separate department and their destruction is a difference which could at any time be covered by legislative action.

Credit Currency and Banking.

The important nature of the subject under discussion tempts to a fuller treatment. I must, however, be content with referring once more to that feature of this series of recommendations which touches the question of note issues by National banks. I am moved to press the recommendation as submitted, in view of the following considerations:

Paper money is the product of an industrial, commercial and financial evolution. Its economizing effect in the use of metallic money precludes the idea of its abandonment until society shall relapse into anarchy.

Credit is the base upon which it rests. Paper money is the evidence that a thing of value has passed into the possession of the issuer, and that the holder of that paper is willing to await payment. When payment is made the evidence of the transaction should be withdrawn, to appear again only when a similar transaction occurs.

The bank is an agency, the result also of a pure evolutionary movement, whose function it is to issue its various forms of credit instruments, of which paper money is one, against the pledges and promises to it of the less publicly known members of the industrial community. It thus becomes an intermediary in much the larger part of all trade and industry.

Whatever operates to render the bank a safe, efficient and valuable agency to the people operates to the general prosperity.

The requirement that the bank shall invest its capital in public securities as a precedent to the issue of its credit instruments—paper money—is a requirement which operates by so much to reduce its efficiency to commerce and industry. It can not use its capital in two directions at the same time. Only a necessity to control the bank's capital for the public use or an indispensable need for security in such a form to the note holder can justify this requirement.

The exigencies of the Government's finances in 1863 induced Congress to require from all note-issuing banks a preliminary investment of their capital in the Government's bonds. The many disastrous losses incurred by the people from the note issues of irresponsible banks previously authorized to do business by ill-considered provisions of many separate States, seemed to justify the National Government in requiring from banks of issue a pledge of the bonds in trust for the security of their note holders.

Without further extension of the historical statement, it is recognizable that the exigencies of the Government do not now require the absorption of banking capital in aid of its own finances. In fact, with Treasury conditions once normally established as to revenue and expenditure, the funded debt will, within a few years, be entirely liquidated.

The importance of banking in its relation to industry and commerce demands for it, in view of the considerations thus enumerated, careful and timely attention.

The question is complicated by the fact that for a whole generation our people have been schooled in a system of bank-note issues secured by pledges in the hands of a public trustee. It is not a good system, but it ought not to be yielded until in some other form adequate guaranties for the solvency of bank-note issues are provided.

The problem is a twofold one: How to withdraw the specific form of security now provided, since it will ultimately disappear; how to provide a substitution which will be recognized by the people as adequate security, and which will at the same time allow to banks within well-guarded limits the most useful freedom in their note issues. The problem is too large, its results too far-reaching, to be solved off hand or by expert dictum. Its solution must be gradually reached by the path of safe experiment. To allow National banks to issue circulating notes equal to 25 per cent. of their capital upon a payment of two per cent. per annum as an insurance or safety fund upon amounts so issued, is, if the demonstration drawn from the Comptroller's office can be trusted, a proposition well within the limits of safety. Nevertheless, whatever risk there is should be assumed by the Government, obnoxious as it may be to the general principles of Governmental action. It is by such action that the situation as it exists has been evolved. Upon the Government, therefore, rests the duty of seeing it properly solved.

Some years of experience along the line suggested will prove what is an adequate provisional tax for the security of note holders, and will allow such amendments as time will justify, involving as one of its features a complete withdrawal of the Government's guaranty from bank-note issues. L. J. GAGE, *Secretary.*

To the Speaker of the House of Representatives.

The revenues of the Government for the fiscal year ended June 30, 1897, were $430,387,167, and the expenditures $448,439,622, leaving a deficit of $18,052,454. As compared with the fiscal year 1896, the receipts for 1897 increased $20,911,759, and the expenditures $13,594,718. The revenues for the current fiscal year (1898) are estimated at $441,227,076, and the expenditures at $469,227,076—a deficit of $28,000,000.

Statements of their resources and liabilties have been obtained from 5,088 financial institutions incorporated under State authority, which have been supplemented by returns from 759 private banks and bankers, a total of 5,847, and an increase over the prior year of 132. Their resources aggregate $4,258,677,065; loans, $2,231,031,262, and deposits, $3,824,254,807. By consolidating these amounts with similar returns from National banks the aggregate resources of all reporting banks in the country is shown to be $7,822,085,119; capital, $1,012,243,820, and deposits, $5,111,126,229.

The Comptroller of the Currency incorporates in his report data obtained in respect of foreign commercial institutions, postal and other Savings banks. The banking power of the United States, exclusive of Savings banks, is stated to represent over 30 per cent. of the banking power of the world, and the deposits of Savings banks in this country amount to about 28 per cent. of similar liabilities of the world's Savings institutions.

The value of exports of domestic merchandise again shows a most gratifying increase over 1896, and exceeds, by more than $16,275,000, the highest returns in the commercial experience of the United States. For the second time the aggregate of exports passes the $1,000,000,000 mark and makes a new record.

THE PRESIDENT'S MESSAGE.

President McKinley's annual message, transmitted to Congress on December 6, contains the following in regard to the currency:

The Currency Question.

"The work of putting our finances upon a sound basis, difficult as it may seem, will appear easier when we recall the financial operations of the Government since 1866. On June 30 of that year we had outstanding demand liabilities in the sum of $728,868,447.41. On January 1, 1879, these liabilities had been reduced to $443,889,-495.88. Of our interest-bearing obligations, the figures are even more striking. On July 1, 1866, the principal of the interest-bearing debt of the Goverment was $2,332,331,208. On July 1, 1893, this sum had been reduced to $585,037,100, or an aggregate reduction of $1,747,294,108. The interest-bearing debt of the Unitea States on December 1, 1897, was $847,365,620. The Government money now outstanding (December 1) consists of $346,681,016 of United States notes; $107,793,280 of Treasury notes issued by authority of the law of 1890; $384,963,504 of silver certificates, and $631,280,761 of standard silver dollars.

With the great resources of the Government and with the honorable example of the past before us, we ought not to hesitate to enter upon a currency revision which will make our demand obligations less onerous to the Government and relieve our financial laws from ambiguity and doubt.

The brief review of what was accomplished from the close of the war to 1893 makes unreasonable and groundless any distrust either of our financial ability or soundness, while the situation from 1893 to 1897 must admonish Congress of the immediate necessity of so legislating as to make the return of the conditions then prevailing impossible.

The Real Evils to be Met.

There are many plans proposed as a remedy for the evil. Before we can find the true remedy we must appreciate the real evil. It is not that our currency of every kind is not good, for every dollar of it is good—good because the Government's pledge is out to keep it so, and that pledge will not be broken. However, the guaranty of our purpose to keep the pledge will be best shown by advancing toward its fulfilment.

The evil of the present system is found in the great cost to the Government of maintaining the parity of our different forms of money; that is, keeping all of them at par with gold. We surely cannot be longer heedless of the burden this imposes upon the people, even under fairly prosperous conditions, while the last four years have demonstrated that it is not only an expensive charge upon the Government, but a dangerous menace to the national credit.

Protection Against More Bond Issues.

It is manifest that we must devise some plan to protect the Government against bond issues for repeated redemptions. We must either curtail the opportunity for speculation, made easy by the multiplied redemption of our demand obligations, or increase the gold reserve for their redemption. We have $900,000,000 of currency which the Government, by solemn enactment, has undertaken to keep at par with gold. Nobody is obliged to redeem in gold but the Government. The banks are not required to redeem in gold. The Government is obliged to keep equal with gold all its outstanding currency and coin obligations, while its receipts are not required to be paid in gold. They are paid in every kind of money but gold, and the only means by which the Government can with certainty get gold is by borrowing. It can get it in no other way when it most needs it The Government, without any fixed gold revenue, is pledged to maintain gold redemption, which it has steadily and faithfully done, and which under the authority now given it will continue to do.

The law which requires the Government, after having redeemed its United States notes, to pay them out again as current funds, demands a constant replenishment of the gold reserve. This is especially so in times of business panic and when the revenues are insufficient to meet the expenses of the Government. At such times the Government has no other way to supply its deficit and maintain redemption but through the increase of its bonded debt, as during the administration of my predecessor, when $262,815,400 of 4½ per cent. bonds were issued and sold, and the proceeds used to pay the expenses of the Government in excess of the revenues and sustain the gold reserve. While it is true that the greater part of the proceeds of these bonds was used to supply deficient revenues, a considerable portion was required to maintain the gold reserve.

With our revenues equal to our expenses, there would be no deficit requiring the issuance of bonds. But if the gold reserve falls below $100,000,000, how will it be replenished except by selling more bonds? Is there any other way practicable under existing law? The serious question then is, shall we continue the policy that has been pursued in the past?—that is, when the gold reserve reaches the point of danger issue more bonds and supply the needed gold? Or shall we provide other means to prevent these recurring drains upon the gold reserve? If no further legislation is had, and the policy of selling bonds is to be continued, then Congress should give the Secretary of the Treasury authority to sell bonds at long or short periods bearing a less rate of interest than is now authorized by law.

Reissuing Greenbacks for Gold Only.

I earnestly recommend, as soon as the receipts of the Government are quite sufficient to pay all the expenses of the Government, that when any of the United States notes are presented for redemption in gold and are redeemed in gold, such notes shall be kept and set apart, and only paid out in exchange for gold. This is an obvious duty. If the holder of the United States note prefers the gold, and gets it from the Government, he should not receive back from the Government a United States note without paying gold in exchange for it. The reason for this is made all the more apparent when the Government issues an interest-bearing debt to provide gold for the redemption of United States notes—a non-interest-bearing debt. Surely it should not pay them out again, except on demand and for gold. If they are put out in any other way they may return again, to be followed by another bond issue to redeem them—another interest-bearing debt to redeem a non-interest-bearing debt.

Providing Gold for Export.

In my view, it is of the utmost importance that the Government should be relieved from the burden of providing all the gold required for exchanges and export. This responsibility is alone borne by the Government, without any of the usual and necessary banking powers to help itself. The banks do not feel the strain of gold redemption. The whole strain rests upon the Government, and the size of the gold reserve in the Treasury has come to be, with or without reason, the signal of danger or of security This ought to be stopped.

If we are to have an era of prosperity in the country, with sufficient receipts for the expenses of the Government, we may feel no immediate embarrassment from our present currency; but the danger still exists, and will be ever present, menacing us so long as the existing system continues. And, besides, it is in times of adequate revenues and business tranquillity that the Government should prepare for the worst. We cannot avoid without serious consequences the wise consideration and prompt solution of this question.

Secretary of the Treasury's Plan.

The Secretary of the Treasury has outlined a plan in great detail for the purpose of removing the threatened recurrence of a depleted gold reserve and saves us from future embarrassment on that account. To this plan I invite your careful consideration.

I concur with the Secretary of the Treasury in his recommendation that National banks be allowed to issue notes to the face value of the bonds which they have deposited for circulation, and that the tax on circulating notes secured by deposit of such bonds be reduced to one-half of one per cent. per annum. I also join him in recommending that authority be given for the establishment of National banks of a minimum capital stock of $25,000. This will enable the smaller villages and agricultural regions of the country to be supplied with currency to meet their needs.

I recommend that the issue of National bank notes be restricted to the denomination of $10 and upward. If the suggestions I have herein made shall have the approval of Congress, then I would recommend that National banks be required to redeem their notes in gold."

Negotiations for International Bimetallism.

In reference to the work of the Commission appointed to conduct negotiations for an international agreement in regard to bimetallism, the President says:

"Under the provisions of the Act of Congress approved March 3, 1897, for the promotion of an international agreement respecting bimetallism, I appointed on April 14, 1897, the Hon. Edward O. Wolcott, of Colorado, the Hon. Adlai E. Stevenson, of Illinois, and the Hon. Charles J. Paine, of Massachusetts, as special envoys to represent the United States. They have been diligent in their efforts to secure the concurrence and co-operation of European countries in the international settlement of the question, but up to this time have not been able to secure an agreement contemplated by their mission. The gratifying action of our great sister Republic of France in joining this country in an attempt to bring about an agreement among the principal commercial nations of Europe, whereby a fixed and relative value between gold and silver shall be secured, furnishes assurance that we are not alone among the larger nations of the world in realizing the international character of the problem and in the desire of reaching some wise and practical solution of it. The British Government has published a *resume* of the steps taken jointly by the French Ambassador in London and the special envoys of the United States, with whom our Ambassador at London actively co-operated in the presentation of this subject to Her Majesty's Government. This will be laid before Congress.

Our special envoys have not made their final report, as further negotiations between the representatives of this Government and the Governments of other countries are pending and in contemplation. They believe that doubts which have been raised in certain quarters respecting the position of maintaining the stability of the parity between the metals and kindred questions may yet be solved by further negotiations. Meanwhile it gives me satisfaction to state that the special envoys have already demonstrated their ability and fitness to deal with the subject, and it is to be earnestly hoped that their labors may result in an international agreement which will bring about recognition of both gold and silver as money upon such terms and with such safeguards as will secure the use of both metals upon a basis which shall work no injustice to any class of our citizens."

FINANCIAL REFORM—DUTIES OF BANKERS.

[Address delivered before the last annual convention of the Ohio Bankers' Association, at Toledo, by Bradford Rhodes, Editor of THE BANKERS' MAGAZINE; President of the Mamaroneck Bank, Mamaroneck, N. Y.]

It is with great pleasure that I have accepted the invitation to address the Seventh Annual Convention of the Ohio Bankers' Association.

This State occupies an intermediate position between the older civilization of the East and the newer, but no less important, civilization of the West. This intermediate position has given Ohio an almost paramount influence in the final decision of all questions, political, moral and social. Owing to the various tides of emigration that contributed to the early settlement of the territory, the wealth and population of the State partake alike of the character of the East, West and South. The natural resources of the State, intellectual, moral and physical, have likewise been developed on lines of usefulness to her neighbors that cannot easily be paralleled. She has furnished both ideas and material resources. Her statesmen and business men to-day exercise an influence on the politics and social economy of the land even surpassing that of Virginia in the days when Virginia was known as the "Mother of Presidents."

The bankers of Ohio are worthy of their State. In their desire and ability to advance their business along the lines of conservative enterprise they are second to no others. The importance of this Association is recognized not only by the number of its members but in the reports of their discussions, and their delegates sent to the Conventions of the American Bankers' Association always make themselves felt in the deliberations of that body.

On this occasion I shall address you not only as a banker, but as Editor of the BANKERS' MAGAZINE, which has for the last half-century consistently endeavored to uphold and defend the legitimate banking interests of the country. In that double capacity, I have the advantage of being both a participant in and an interested spectator of the game; and I can therefore, without appearing presumptuous, call your attention to some features of the public agitation of banking and financial matters now going on that have presented themselves to me more prominently, perhaps, than they would have done had I been a banker only.

In connection with the MAGAZINE, I am called upon to examine and criticize a vast number of suggestions and plans looking to banking and financial reform on a great variety of lines. You all know the nature of the topics that are usually introduced at bankers' conventions and other places where financial questions are discussed. There are plans for reforming the currency, for diminishing competition among bankers and for increasing profits. There are also plans for securing simplicity and uniformity in the laws of the several States relating to the collection and management of the negotiable instruments in which the bankers deal. In various forms these and kindred topics come to the surface at bankers' conventions.

I have noticed a tendency in many of these plans to disregard the background and environment in which alone they must, if at all, be put into successful and satisfactory operation. To be more specific, many of the propositions for the substitution of a bank-note system, in the place of our present system of Government notes, and for the removal of certain disabilities under which banks, National, State and private, now labor, do not take sufficient, if any, notice of the principles of Government on which all the institutions of the United States must be founded. In other words, it seems impossible to make many of the projectors of these plans realize that in the United States any question that necessarily affects the public is inseparable from politics. Some of them in their eager enthusiasm would change all the basic principles underlying our system of Government, rather than permit any modification of their schemes. It is in this failure to recognize the necessity of adapting any plan for the improvement of our currency to already existing conditions of public opinion and legislation that constitutes the impracticability of many propositions that in themselves might not be otherwise objectionable.

Two things must always be considered in deciding for or against any proposition for currency reform: first, is it theoretically and scientifically coherent; and second, can it be put into legal operation under the existing state of popular opinion and legislative methods?

Of course legislative practicability is always subservient to a strong public opinion, and to render the latter favorable is always the first step toward putting any plan in successful operation. Public opinion can be rendered favorable when a plan does not run too greatly counter to the training, education, traditions and prejudices of the people. It is useless for a projector, when his ideas are ill adapted to existing public opinion, to inveigh against the ignorance and prejudice of the public, or the inefficiency and incapacity or the indifference of politicians or legislators. He must adapt his plan to meet these difficulties or let it go to the wall. Principles of banking and finance mày be well known and tried, but in putting them in operation they must be so presented as to conform to the political environment.

Now, it appears to me that the existing banking and financial system, imperfect as it is in many respects, has grown up with and become adapted to the republican institutions of the country. It has taken its present shape after many trials and experiments, after many disasters and failures, and has become adapted to our union of States under a Federal Government, supported and checked by the separate governments of the States. In attaining this adaptation it has secured many useful features which are highly satisfactory to the people and to that class of people who invest their capital in banks. It avoids the dangers and objections of monopoly and at the same time secures a very fair degree of strength and safety. I may without dispute claim that in no country in the world is the business of banking so acceptably conducted for those who have a small capital to invest. It affords protection and safety with the least possible danger of monopoly.

That these points have only been gained after costly and laborious experiment is patent to any one who cares to investigate the history of banking in the United States.

Starting on European models which were adapted to centralized and more or less autocratic governments, our system has by degrees worked itself free from monopolistic features, hateful not only to the public requiring banking facilities, but also to those who desired to invest their capital in banking. The great levers in attaining this result have been the State governments. The old Banks of the United States, both First and Second, were modelled on the Bank of England, with branches modelled on the Scotch and English systems. Contemporaneous with these were chartered banks in most of the older States. Special charters were early recognized in the States as subversive of that freedom to share in every profitable business which is so dear to the American capitalist.

The Banks of the United States went down before the opposition of the freer systems of the States. When, after a long interval, the Federal Government again authorized banks, the National banking system was modelled on the free system inaugurated in the States. It would be unwise if it were not impossible to radically change the existing system of free and independent banks which has shown itself best adapted to our political institutions after so many years of experiment and political strife.

The very disadvantages of this system, consisting chiefly in its greater expense of management, are in another direction an advantage. A more concentrated system would reduce the number of bankers and bankers' clerks. But this very excess of managing cost tends to the diffusion of wealth and the moderate prosperity of a larger number of citizens than would be the case if the banking capital of the country were concentrated in a few large banks that extended their influence by means of branch offices into all quarters of the country.

The faults of our system do not seem to me to consist in the number of banks or in the average smallness of capital in each one. The defect is not in the fact that the banks have grown into closer connection with our political and social institutions, but in the check that has been placed on the use of their credit in practically depriving them of any reasonable use of the promissory note. Even this deprivation has been the result of a desire to attain safety to the public while permitting the freest possible investment of the surplus capital of the people in banking.

The use of promissory notes was at one time permitted by all the State governments. Owing to the crude condition of the laws in many of the States, due to their rapid settlement, this privilege was in many cases abused. It was the fact of this abuse that rendered it easy for the Federal Government to tax the State bank circulation out of existence, and which has later been used to prevent any enlargement of the privilege even to the banks of its own creation. These abuses must be admitted. They were a lesson which must not be forgotten, but we will all agree that they are to-day made much more of than they should be. The losses by State bank circulation from 1812 to 1860 are now used as a bugaboo to frighten the public from permitting the introduction of a bank currency which would have the acknowledged usefulness without the dangers that formerly were recognized.

Our system of banks to-day, State, National and private, is well adapted to the customs and institutions of our people. It is, however, capable of being developed into still greater usefulness upon the lines of growth that it has heretofore followed, until it becomes the only base of our whole financial system. Its units will, I think, as development goes on, prove capable of providing not only for the wide distribution of capital in small sums in all parts of the country where banking capital is required, but also of concentrating capital in sums sufficient for the largest undertakings.

It seems to me that the small, independent banks of our system do here and now perform all the functions of the most complete system of branch banks. The larger banks of our system are capable, if they choose, by a proper cultivation of their relations with the smaller and widely scattered institutions, of concentrating capital for the greatest undertakings. Centripetal and centrifugal forces work as effectually in our existing system as they do or can in any system of branch banks in the world.

But what is of more interest to the public and more in promotion of the general welfare, is the wider distribution of profits which our system allows, in salaries, in interest and in dividends. The great question with bankers to-day is how to develop our banking system on the foundations already laid so that it will become the permanent bulwark of the credit of our productive and commercial system and of the finances of the State.

The abuse of bank circulation and the antipathy of the public mind to a central Federal bank in 1842, led to the adoption of what is known as the Sub-Treasury system, by which the Government withdraws the funds collected in revenues from the resources of the country and locks up the same in its vaults until its disbursements release them.

This system has separated the U. S. Treasury from the banks and by degrees has made it an institution more or less antagonistic to them. In the minds of the public the Treasury stands on one side and the banks on the other. This antagonism has been encouraged by the issue of legal-tender and other forms of Government notes and by the extensive minting of silver dollars for Government account, which to-day are merely another form of the use of Government credit. Whenever the Treasury is embarrassed, through its inadequate relations with the public, the shock is directly felt through the banks. The public, unreasoning, blames the banks for the faults of the Treasury, and the antagonism between the two becomes wider and wider.

The people do not recognize that the hands of the banks are tied by the operations of the Treasury, and they therefore attack the banks because the latter find it impossible to perform their natural functions. Sentimentally, too, the Treasury seems nearer to the public. It is their Treasury, their money. Its disbursements carry on public works in all parts of the land. It has a host of employees and clerks and officers, all engaged in collecting and disbursing the revenues, in printing and coining the money, in redeeming, destroying, and reissuing it. The Government is carried on by officials and politicians who are all accustomed to the present system. All of this host naturally deprecate any change. They derive their living from the great perennial source, and they dread any change in financial methods as perhaps detrimentally affecting their personal interests. The power of this bureaucracy is very great in influencing the minds of the people against any change. I have no doubt that the great army of pensioners would believe their pensions in danger if the Treasury were to be deprived of the power of making and issuing money.

These are some of the ideas which must be combated in taking the power of issuing the credit paper money of the nation from the Treasury and substituting a bank currency. They permeate our whole people and bankers themselves are not free from them. To counteract these ideas and to gain the end in view there is in the United States only one way, and that is to educate public sentiment. The only tyranny there can be here is the tyranny of the majority, if that majority is actuated by unsound ideas. Such tyranny, if you choose so to call it, is inseparable from republican institutions. To avoid it you must in some way get the majority on your side. The theory on which the advantages of a republican form of Government can be admitted is that in the long run the majority are susceptible to sound ideas.

Therefore, to attain the supreme usefulness for the banking system of the country, the bankers themselves must convince the majority of the people that it is for their interest to have the credit money issued by the banks.

Many bankers say we should have nothing to do with politics. But how can any citizen protect himself unless he does exercise his political rights? The chief of these is the right to persuade and convince others. To exercise this right is not an easy task. On the subject of finance it is especially difficult. The claims of those opposed to our views and their ulterior aims and hopes comprise much with which we can agree. They desire a free distribution of capital in such a manner as will best develop the enterprise of the country, but this desire is associated with much that we condemn and refuse to entertain for a moment. Therefore, we suspect what seems right in the claims of our opponents, owing to its association with so much that is wrong. It is necessary for us to separate the one element from the other, to adopt the true and absolutely reject the false, to take a position intelligible to ourselves, and what is equally important, make it intelligible to others.

But again our opponents are alienated from us. The hostility aroused by their fallacies they take to be hostility to their just and practicable demands and their legitimate aspirations, and they are tempted to believe that bankers, as such, can never meet them honestly on any common ground. For this state of things there is only one remedy. It is increased know edge and clearness on our part with regard to the reform we advocate. This remedy ought surely to be within our reach.

Therefore, it behooves bankers as being especially interested in currency reform, not only for their own interest, but also for that of the general public, to agree upon some plan of campaign and then to devote time to the full understanding of the principles underlying the plan and how they are founded in experience and scientific truth. There are those among us who have proposed plans of their own. No doubt all of these have valuable features. The individual, however, is apt to be carried too far by his bias in favor of his own product, and is insensibly led on to criticize and oppose other plans which may secure more general acceptance than his own. This individualism which is predominant among our citizens, although it is good in its place, tends to division of counsel.

There can no doubt be no greater ambition on the part of any man than to invent a plan that shall repair satisfactorily all the breaches in our financial system. But it seems to me that such an ambition is futile. If such a plan, the product of a single brain, were adopted by Congress, the individual inventor would probably have to swallow the bitterness of seeing it bear the name of the Congressman who introduced the bill, or of some other statesman prominent in its support. But I do not think that any individual can to-day suggest any features which would be entirely original. Of necessity the improvement in our banking system must be adaptations of former experience.

Therefore, I would suggest that while every earnest man who thinks he has a good idea should not refrain from sending it to the Committee of the Monetary Conference at Indianapolis, now as I understand working on a bill for presentation to the next Congress, he should, whether his suggestion be adopted or not, refuse to allow his personal feeling to make him an opponent of any measure that may be adopted by that Committee, provided it generally satisfies the demand for reform. Our main work when such a plan has been formulated is to seek to have a clear understanding of the principles on which it rests.

Methods of carrying into effect the real principles of financial reform may vary, and yet the general result may be identical. But after a plan has been formulated and presented to Congress which shall build up and perfect our present system, then the bankers of the country in their capacity of American citizens should in all legitimate ways work for its realization.

To secure desirable legislation there is only one way of success, and that through the usual methods adopted by those who seek to influence the public mind. Simply to present a plan to Congress and then to regard the work as done, is unreasonable. The constituencies of our legislators must be so convinced of the importance of the measure that they will bring adequate pressure on their representatives. To accomplish this result will take work and money, the same as any political campaign.

To conclude, I reiterate that in order to place the financial and banking system of the United States on a firmer basis we do not need to make any radical changes in our present system of National and other banks. We must build upon the foundations already laid through so many years of banking experience. We do not want any new system which is antagonistic to the republican institutions of the country. As bankers we must strive to know just what will bring about the desired improvement; we must try to meet our opponents upon some common ground, easily shown to be common to all. We must show them we are striving for mutual benefit. We must sink our personal ambitions and pride in our individual ideas and rally unanimously to the support of some plan which shall practically embody the principles we all agree upon. And this support must be skilfully and persistently applied in the manner which experience has shown to be the best, so as to secure the legal majority which under republican institutions is our only ruler.

There is little use in inveighing against the prejudices and fallacies of those who oppose us, or against the political conditions that seem adverse. These conditions can be controlled and it is the duty of American citizens to control them.

In the meantime let us not forget the substantial progress already made in the direction of currency reform. Gold payments have been steadily and firmly maintained by all the successive Administrations since 1879, the law compelling the purchase of silver bullion has been repealed, and confidence in our currency has been restored by the decisive defeat of free silver. It yet remains for us to convince the people of the desirability of according to the banks a freer use of their credit in developing the commerce and industries of the country, and to demonstrate that the natural source for supplying a credit currency is to be found in the banks rather than the Treasury.

Having faith in the wisdom of public opinion, when aroused and properly directed, I can not doubt that in due season our banking system will be adjusted to the needs of the present times and our currency still more securely established upon that basis where it now rests, and that an American dollar, by whatever agency it may be issued, will be known to mean but one thing the world over.

STATE BANKS—REPORTS OF SUPERVISING OFFICERS.

STATE OF VERMONT.

OFFICE OF INSPECTOR OF FINANCE,
WILMINGTON, VT., Sept. 6, 1897.

In accordance with law, I herewith publish the sworn statement of the officers of the Savings Banks, Savings Institutions and Trust Companies, Investment Companies and Building and Loan Associations organized under the laws of this State, and the Investment Companies and Building and Loan Associations organized under the laws of other States that are licensed to do business in this State, showing the condition of such institutions on the 30th day of June, 1897.

Since the last annual report of the Inspector of Finance a Savings bank has been organized at Barton and a Savings bank and trust company at Swanton, making a total of twenty-three Savings banks and nineteen trust companies in the State.

INVESTMENTS.

A very careful investigation of the investments held by the Savings banks and trust companies has impressed me with the caution and intelligence with which they have been selected, which seems especially true of mortgage loans outside the State, the larger part of which are choice six per cent. mortgages in prosperous localities, and so far as I can discover they are, with few exceptions, fairly worth their book value, and many municipal bonds owned, if sold to-day, would bring a price considerably above the value at which they are carried on the books.

The percentage of assets in the several classes of investments held by all the Savings banks and trust companies from 1888 to 1897 inclusive will be found in the following table:

	1888.	*1889.*	*1890.*	*1891.*	*1892.*	*1893.*	*1894.*	*1895.*	*1896.*	*1897.*
1. In public funds and loans thereon and to towns, counties and cities	21.91	21.68	22.78	25.09	26.25	28.23	29.29	29.90	29.27	29.18
2. In bank stock and loans thereon	3.31	2.72	2.52	2.18	2.23	2.09	2.08	1.24	1.87	1.90
3. In mortgages of real estate in this State	20.12	20.56	20.74	19.80	18.78	17.95	18.32	18.35	18.90	19.00
4. In mortgages of real estate elsewhere	36.41	37.20	35.61	34.17	33.55	32.33	31.83	31.93	31.68	30.56
5. Real estate	1.26	1.29	1.18	1.14	1.23	1.33	1.67	1.92	2.06	2.43
6. Loans on personal security	9.49	9.44	9.98	10.05	9.89	10.06	8.78	8.51	8.08	7.53
7. Miscellaneous assets and on other collateral security	3.11	3.47	3.47	3.16	3.06	2.44	3.10	3.88	3.93	4.17
8. Deposits in banks, mainly on interest	3.63	2.93	3.05	3.41	4.03	3.04	3.85	3.36	3.25	4.29
9. Cash on hand	.76	.71	.67	1.00	.98	1.58	1.05	1.19	1.01	.94

DEPOSITS AND DEPOSITORS.

The aggregate deposits in the Savings banks and trust companies June 30 last was $32,600,627, which was an increase for the year of $429,884, having been acquired within the last six months of the year, and $141,176 in addition, while the December 31 last statement shows the aggregate deposits to have then been less than June 30, 1896.

$27,321,006 was deposited by 93,941 resident depositors, and $5,279,621 by 12,226 non-resident depositors, showing an increase for the year of 2,757 in number of resident depositors and $524,700 in amount of their deposits, and an increase of 231 in number of non-resident depositors, but a decrease of $94,816 in amount of their deposits.

While the aggregate deposits have increased, the increase in number of depositors and the withdrawal of some large deposits by non-resident depositors have decreased the average amount to each depositor from $311.48 to $307.19.

The average amount to resident depositors is $290.83, a decrease of $3.04, and $431.76 to non-resident depositors, a decrease of $12.51 in the year.

There are 2,494 depositors who each have over $1,500 in a bank, and the total amount of their deposits is $4,969,965, an average of $1,993.56 to each depositor, which is a decrease of eighty-three in number and $88.33 in average amount.

SURPLUS, TAXES AND EXPENSES.

The special reserve fund required by law to be set aside by the Savings banks and held to meet losses and depreciation of securities, together with the special reserve of the trust companies, now amounts to $1,054,275, to which if we add other surplus and accumulations of all the Savings banks and trust companies, makes a total of accumulations of $1,829,912, an increase for the year of $63,523.

The Savings banks and trust companies have paid taxes to the State during the year of $214,076, an increase over the preceding year of $6,501.

The expenses of all the Savings banks and trust companies for the year, except taxes, were $165,068, an increase over the preceding year of $11,238.

DIVIDENDS.

The depositors in the Savings banks and trust companies have been credited with interest on their deposits for the year of $1,188,994. All the Savings banks have paid four per cent. (two per cent. semi-annually, which is the legal limit) per annum, one trust company has paid three per cent., one three and one-half per cent., one four and one-half per cent., and the other trust companies four per cent. per annum.

On their capital stock two trust companies have paid no dividends, one has paid four per cent., eleven have paid six per cent., two have paid eight per cent. and two have paid ten per cent. per annum. The total dividends to stockholders were $55,466.

The limitation of dividends on Savings bank deposits to two per cent. semi-annually until a reserve fund of ten per cent. has been accumulated, which was advocated by my predecessor, Hon. Fred G. Field, and made a law by the Legislature of 1896, has been accepted by the Savings banks and their depositors generally as a wise provision. While the trust companies were not included in this restriction, all but one have kept within that limit, and the fact that the deposits in all the Savings banks and trust companies have increased in the six months ending June 30 last over half a million of dollars would seem to indicate that no considerable amount of deposits has been withdrawn because of reduction of dividends. The thoughtful depositor begins to recognize, what has become very apparent to bankers, that rates of interest are tending downward, a fact quite noticeable in regard to high-grade municipal and other bonds, which class of quick assets banks must have if they would fortify against financial storms, and which cannot be carried to any extent if attempt is made to maintain high rates of dividends.

FOREIGN INVESTMENT COMPANIES.

The following-named Mortgage Investment Companies have been licensed to do business in this State for the year ending December 31, 1897:

Iowa Loan and Trust Company of Des Moines, Ia.

New England Loan and Trust Company, Des Moines, Ia., and New York city.

Vermont Loan and Trust Company, Grand Forks, N. D.

VERIFICATION OF DEPOSIT BOOKS.

Next year the law requires the banks to call in their deposit books for verification. It seems to me it is essential that this be done in as thorough a manner as possible. It may be emphatically said, "if worth doing at all it is worth doing well," and I shall expect hearty co-operation from the officers and depositors of the banks, that every book possible to be secured be brought to the bank for verification with the books of the bank. The law requires me to fix the time for this work, and I shall endeavor to fix a date which will give the most general convenience to the banks and depositors, and am now inclined to think the month of May will be named. The trouble occasioned some banks at a former verification of depositors' books by a misapprehension of depositors as to the reason for it will not be likely to arise again, provided the purpose of and date for verification is well advertised.

On July 7 last I assisted the State Auditor to examine the books and accounts of Hon. Henry F. Field, State Treasurer, which we found correct, with proper vouchers for all moneys expended.

On July 19 and 20, at Lunenburg, I examined the books of Hon. F. D. Hale, State Auditor, and found proper vouchers for all orders drawn on the State Treasurer for the fiscal year ending June 30, 1897.

I wish to acknowledge the courtesy of Hon. Elisha May, National Bank Examiner, in so arranging the dates of his examinations that the law requiring State banks doing business in offices with National banks to be examined at the same time that the National banks are, could be complied with.

I also wish to acknowledge the kindness of my predecessor, Hon. Fred T. Field, in furnishing me all necessary information at his command in regard to this department.

It is my sad duty to record that two faithful Treasurers of two of the oldest Savings banks in the State have been stricken down by the hand of death when at their posts of duty.

J. Carey B. Thayer, Treasurer of the Northfield Savings Bank, when in apparent health, died suddenly June 18, 1897.

He was one of the oldest Savings bank Treasurers of the State, both in age and time of duty. He was seventy-three years old and had been Treasurer of the Northfield Savings Bank since its organization, twenty-eight years ago.

Milon Davidson, Treasurer of the Windham County Savings Bank, while on a business trip in the interests of the bank, met death as did Mr. Thayer, with little if any warning. He was sixty-three years old and had been Treasurer of the Windham County Savings Bank for twenty-three years. To the faithful efforts of these men the institutions of which they were Treasurers and the State of which these institutions are no unimportant part, owe much. May their faithful example be a guide to their successors.

Hosea Mann, *Inspector of Finance.*

Aggregate Resources and Liabilities of all the Savings Banks, Savings Institutions and Trust Companies in Vermont, June 30, 1897.

Resources.	*1897.*	*Compared with 1896.*	
Loans on mortgages of real estate in Vermont	$6,749,467	Inc.,	$136,334
Loans on mortgages of real estate elsewhere	10,852,787	Dec.,	232,640
Loans on personal security	2,674,880	"	134,171
Loans with bank stock as collateral security	243,884	"	875
Loans on other collateral security	1,109,597	Inc.,	34,770
Loans to towns, villages, etc	546,150	"	37,966
United States bonds owned	1,293,588	"	506,557
State, city, county, town, village and other bonds owned	8,526,381	Dec.,	419,992
Real estate owned for banking purposes	303,660	Inc.,	6,678
Real estate acquired by foreclosure	562,815	"	138,302
Bank stock owned	432,880	"	22,395
Miscellaneous assets	371,174	"	71,853
Cash on deposit in banks	1,523,430	"	386,966
Cash on hand	335,371	Dec.,	19,435
Total resources	$35,526,020	Inc.,	$534,673
Liabilities.			
Amount due depositors	$32,600,627	Inc.,	$429,884
Capital stock of trust companies	922,877	"	16,067
Amount of surplus and accumulations	1,829,912	"	63,523
Miscellaneous liabilities	172,603	"	25,178
Total liabilities	$35,526,020	....	

GEORGIA.

In accordance with the provisions of law, the banks under the supervision of this department, one hundred and sixteen in number, have all been carefully examined by myself and assistant during the year, and all have rendered to this office sworn statements of their condition from time to time as called for and have published same in their local newspapers. During the period covered by this report there have been three failures and three have gone into voluntary liquidation. The bank examiner, under the law, having no control over closed banks, I am unable to give any information as to their condition at this date.

It is a pleasure for me to state that the banks now in operation under the supervision of this department are, with a few exceptions, in good condition. My experience as bank examiner for the past few years has thoroughly convinced me that the supervision of our State banks is a great benefit, not only to the depositors, but to the banks themselves, and with some additional legislation for the better protection of depositors and to correct certain bad management on the part of some few of the banks, this department can and should afford all the protection necessary to both depositor and stockholder against loss by bank failures. The additional protection to depositors and stockholders of banks in this State which, in my judgment, is necessary, is covered by the following suggestions:

The loans to officers and directors of banks should be, in some way, restricted and more fully protected. Their own bank stock is not sufficient or proper collateral for such loans, and should not be counted. This is the greatest difficulty with which the examiner has to contend, and is the prime cause of nearly all bank failures.

The reserve fund of twenty-five per cent. of deposits subject to check should consist only of cash in safe and balances due from good solvent banks. No stocks or bonds should figure in such reserve, and two-fifths of the twenty-five per cent. should be actual money in vault, not counting cash items, which may, in the discretion of the bank examiner, be deducted from amount of deposits subject to check before computing reserve.

A certain percentage of the net earnings of all banks should be carried to surplus account before any dividend is declared, until its surplus shall amount to twenty per cent. of its capital stock, and no dividend should be declared greater than the net profits, deducting therefrom all losses and bad debts.

Require directors to make a thorough examination twice a year of the affairs of their banks, a report of their findings to be made a part of the records of the bank, and a copy of the report to be furnished at once to the bank examiner. The directors to be paid by the banks a reasonable fee for such service.

Insolvency as applied to banks should be clearly defined, and when a bank is found to be insolvent the bank examiner should have authority to take immediate possession of such bank and, under such regulations as the General Assembly may provide, wind up its affairs for the benefit of creditors and stockholders.

Savings banks doing strictly a savings business, and receiving no deposit subject to check, should not be required to carry any reserve fund at all, but require them to invest and keep invested in bonds of the United States, of Georgia, or municipal bonds of this State (10) ten per cent. of their entire deposits.

Require individuals and firms doing a private banking business in this State and using such titles as "Exchange Bank" or "Bank of Commerce," to use a stamp bearing the words "Not Incorporated" on all of their letter-heads, bill-heads or statements of accounts. The use of such titles by private banks is misleading, and conveys the impression that they have an authorized paid-up capital; whereas, no such security exists for the protection of their deposits.

W. J. SPEER, *Treasurer State of Georgia.*

A Creditable Action.—Depositors in the Northwestern National Bank, Great Falls, Montana, which closed in February last, are to be paid in full through the liberal action of Messrs. Conrad Bros. who formerly owned a controlling interest in the bank, but which they had sold some months before the failure.

On November 16 they sent out the following circular to the depositors:

"GREAT FALLS, Nov. 16, 1897.

DEAR SIR—We understand that you have a claim against the Northwestern National Bank. We were stockholders in the bank and desire to get the matter closed up as soon as possible. If you will endorse your Receiver's certificate in blank and have your signature witnessed and send it to us, we will send you the balance due on it in full. Yours truly,

CONRAD BROS."

Although not legally liable, Messrs. Conrad Bros. took back the stock they had sold and assumed the payment of claims aggregating nearly $1,000,000.

Of their action in this matter the "Helena (Mont.) Independent" of November 19, says:

"Yesterday morning 'The Independent' published the information that the Conrad Brothers, of Great Falls and Kalispell, have issued a circular letter to the depositors of the Northwestern National Bank of Great Falls, now in the hands of Receiver Stanford, saying that they wish to close up the affairs of the bank as soon as possible and that they will pay in full all balances due depositors. This bank, under the efficient management of Mr. Stanford, has already paid 75 per cent. of the claims, but the Conrad Brothers prefer to pay all claims immediately rather than have the matter of winding up the affairs of the bank delayed. By their action every depositor will be paid in full, though neither legally nor morally are they under obligations to assume the burden they have taken upon themselves.

In some cases, especially when depositors have needed money, these gentlemen have sought out depositors and paid their claims instead of waiting for the depositors to go to them. We doubt if there is a similar National bank case on record; and if the depositors will comply with the circular letter issued, the affairs of the Northwestern National will be closed up in a shorter time than has ever been known in the case of a National bank. We wish there were 175,000 Conrad Brothers in Montana."

Messrs. W. G. & W. E. Conrad have been prominent in the business and banking circles of Montana for a quarter of a century, and they were unwilling that those who had trusted the bank because of their established reputation should be allowed to suffer, although on legal and technical grounds they could have escaped responsibility.

In voluntarily assuming the payment of so large a sum, a speedy settlement of the affairs of the failed bank is assured, and the gentlemen who have made this possible are entitled to credit for adopting a course in accord with the highest principles of business dealing.

HOW CAN THE SEVERITY OF PANICS BE AMELIORATED?

Prof. Sumner in his summing up of the doctrines of the celebrated Bullion Report, which was submitted to the House of Commons in 1810, says: "Its doctrines are the alphabet of modern finance. They are no longer disputable." Another section of Sumner's condensation of this report reads: "In the presence of a panic, the duty of the bank is to discount freely to all solvent parties."

Bankers who passed through the practical experiences of 1893 will no doubt smile at this latter assertion, for how can a bank discount freely to all solvent parties, when its panic-stricken depositors want all the cash the bank holds and very quickly too? Depositors in time of panic do not sit down to reason the trouble out on the line of the western banker—who, after suspension, hung out this notice: "This bank is not busted. The people are; our assets exceed our liabilities. When the people pay us, we will pay our depositors."

What is the meaning of the word panic? The Standard Dictionary says: "The prevalence of unreasoning and overpowering alarm in financial or commercial circles or in both, leading to sudden and stringent restrictions of credit and great shrinkage in values, and precipitating mercantile and banking failures: often the precursor of financial panic."

Panics undoubtedly cannot be prevented except in theory by such dreamers as Bellamy who support the impossible idea that human nature can be changed, speculation cease, and optimism be eradicated from Anglo-Saxonism. I imagine if Bellamy should take a Rip Van Winkle sleep till the year 2000, on waking, instead of finding no need for the Ten Commandments or the Bible, the first time he attended a funeral service he would listen to the well-known words "Man that is born of woman is of few days and full of trouble."

Notwithstanding this, I am a firm believer in the possibility of ameliorating panic conditions, both as to their frequency and severity. But how? My answer is—

(1) By studying history and profiting by the experiences of the past.

(2) By passing conservative and sound banking laws and then enforcing them.

(3) By giving as much elasticity to the circulating medium as can be safely attained, but never to such an amount as will engender doubt in the public mind as to its redemption in the world's standard of value.

That old Kaffir proverb, that "He who will not profit by the experiences of the past, gets knowledge when trouble overtakes him," is a very pertinent sentiment right here. Any one who will read history from before Aristotle's time to date, with an earnest desire to find the practical experimental truths as to the causes which have led to much of the world's financial distress in the past, will learn that lack of integrity and inflation ideas are largely the groundwork of financial disease.

The kings of past ages clipped the coins of the realm to keep their barren exchequers from bankruptcy, to carry on wars of conquest, and to keep themselves in luxury and debauchery. John Law, nearly 200 years ago, after being turned down by the keen Scotchmen, captured the French people with his plausible populistic inflation scheme, and history tells us that France did not recover from its terrible effects for fifty years. The statesmen of France, not content with the John Law experiment, in consequence of business depression in 1789, instead of manfully waiting for a natural return of better days, in response to the popular clamor for "more money" sought to take a short cut to prosperity by issuing heroic quack doses of fiat money for several years in succession. Just as soon as the effects of the first issues began to show symptoms of a reaction upon business, another larger dose was administered to the already staggering patient. The statesmen of France in most eloquent perorations—which might be likened to some of the present day—contrasted the sad picture of Law's scheme of money based only "on the faith and resources of the nation" with the present issues based on one-third of the real estate of France, valued at four thousand billion francs, which by one sweeping stroke the nation had just confiscated from the French church. It was loudly proclaimed that this made all the issues absolutely secured and "as good as gold." As Mirabeau put it, "I would rather have a mortgage on a garden than on a kingdom." At that time assignats evidently covered both.

In 1793 France again confiscated the estates of the nobles and landed proprietors who fled the country, which estates were valued at three billions of francs. At this date twenty-eight hundred millions of assignats had been issued and still the appetite for them was keener than when the first issue was made and the intoxication grew until nearly forty thousand million francs were outstanding in 1797—a sum aggregating nearly five times the whole of our present circulating medium. With one fell swoop the French nation repudiated the whole issue. The result may be summed up tersely in the words of Louis Blanc, "Commerce was dead, betting took its place."

If any of the readers of this should be tainted with the irredeemable currency idea, I beg them to read the vivid words of Andrew D. White, issued in pamphlet form by D. Appleton & Co., entitled "Fiat Money in France." I have sought to cover his thought as concisely as I could above. White quotes a few pages from Macaulay's History of England, a part of which I submit for your earnest consideration. It is on the "Effects of Cheap Coinage." He says:

"Whether Whigs or Tories, Protestants or Jesuits were uppermost, the hum of buyers and sellers was as loud as ever in the town; the harvest home was celebrated as joyously as ever in the hamlet; the cream overflowed the pails of Cheshire; the apple-juice foamed in the presses of Herefordshire; the piles of crockery glowed in the furnaces of the Trent, and the barrows of coal rolled fast along the timber railways of the Tyne. But when the great instrument of exchange became thoroughly deranged, all trade, all industry were smitten as with a palsy."

The experiences of our own history furnish a convincing argument against irredeemable currency. I will not enumerate them. I will only say that the campaign of education in the fall of 1896 saved this country from a calamity no less severe than befell France a century ago.

The Value of Good Banking Laws.

As to the question of good banking laws, I can only briefly speak of our own experiences in this country. Permit me to refer you to the Report of the Comptroller of the Currency for 1896 on pages 33, 34 and 54 as to failures of banks. These pages do not cover yearly or local history but United States history as to National and State banks for the long period from 1863 to 1896. In that period 330 National and 1,234 State banks failed. During this same period, the claims filed, dividends and percentage paid to depositors and amounts still unpaid, were as follows:

	Claims filed.	*Percentage dividends paid.*	*Still due to creditors.*
National banks..........................	$98,322,170	63 8-10	$35,556,026
State banks..............................	220,629,988	45 4-10	120,541,262

The Comptroller further says: "The average percentage of dividends paid to creditors of insolvent National banks whose affairs are entirely closed, is about seventy-five per cent." This would indicate a total loss to National bank depositors in thirty-three years of less than $25,000,000.

In a paper on "Currency Reform" read by me before the Bankers' Club of Milwaukee, in January, 1895, in the absence of official data, I estimated the total losses to depositors in State, private and Savings banks and loan and trust companies, at no less than two hundred millions of dollars. The foregoing confirms my estimate as altogether too low, because the National banks of this country have about one-third of the deposits, the State banks one-seventh and all others over one-half. If experience proves there is such a marked contrast in favor of safety to depositors in National banks, which are under careful laws and supervision as against all other banks which are only partially so; some States having good laws, others lax laws and others none at all, is it not a reasonable and sound conclusion that the meat of the whole matter lies in making good banking laws, then enforcing them by strict examinations, closing up insolvents, and not allowing them to dissipate good assets for years after insolvency, as has been the case all over our beloved country? Let us give to the thrifty people of the land who entrust their hard earnings to our care all that protective wholesome laws can give, and such experiences as the South Side Savings Bank of Milwaukee, which failed four years ago and has to this date paid but a paltry ten per cent. dividend to its unfortunate depositors who hold claims for $1,500,000, will be only an unpleasant memory of the past. Limit failures, and panic conditions will be ameliorated.

Good banks ought to court investigation, and the people should insist on rigid investigation of all banks to weed out insolvents.

The Problem of an Elastic Circulation.

Now for the elasticity problem which the financiers and economists of the world have not satisfactorily solved up to date. When panic takes possession of depositors and the mercantile community, and the reserves of the banks are being reduced, some method must be attained to refill the reserve reservoirs in order to pay depositors promptly, "discount freely to all solvent parties" and thus restore confidence, and also to avoid the long tedious after effects of serious panic conditions.

The Canadian bank note system is often referred to as an elastic one. It is slightly, but are not conditions there materially different from those here? There the banks are large corporations and controlled by conservative financiers who know the inevitable results of overissues of currency. Our vast number of small independent banks all over the country would not be guided by the same wise conservatism, and trouble would surely result under like conditions of currency issues.

Germany, in addition to her ordinary issues, has an emergency circulation which is allowed under penalty in order to return the surplus to its reservoir when the pressure is over. The Bank of France has such an immense reserve and practically unbridled authority to issue notes, that the problem of elasticity seldom troubles them. Sad practical experiences have given the French wisdom.

The Old Lady of Threadneedle Street has no legal power to give elasticity to Britain's circulating medium, and serious trouble has sometimes been averted by extraordinary means. The Bank of England in 1847, 1857 and in 1866, on the assurance of the Government officials that no prosecution would follow, suspended the Bank Act as to issuing notes only on the deposit of a like amount of coin or bullion and it issued notes to the Banking Department on deposit by it with the Issue Department of ample securities. This was an unlawful act giving elasticity to the currency, but it placed the Banking Department in an easy condition to "discount freely to all solvent parties."

The apparent necessity for these extraordinary acts was that the country had reached a commercial crisis where good securities could not be sold for cash. Suspension and consequent ruin were staring sound commercial houses and banks in the face.

In each case the action of the Bank afforded instant relief and doubtless saved hundreds of millions of dollars to tottering houses unable to meet payments except for such relief. As soon as the pressure was over the illegal issues were retired. Commercial ties are so interwoven that the failing of a few large houses carries down many others, laboring men are thrown out of employment and general distress prevails. Then the process of recuperation is slow. The United States is now in just this condition. In 1893 we had no bank Act that could be suspended for the benefit of the people, and the only makeshift relief we could get was through an illegal issue of clearing-house certificates, which because of apparent necessity was overlooked. These experiences prove the urgent necessity for an emergency circulation, with the certain requirement that it will be retired at once after the restoration of confidence to prevent inflation. The United States has no great central bank like the Bank of England or Bank of France on which to rely, and relief by a Government issue of legal tenders at such times under control of Congress would work only as an act of inflation, because politics would prevent the issue from being reduced at once to a normal level after the necessity for it has passed. The principal reason why Government issues of paper are dangerous is that politics, at the behest of popular clamor and not business sense, too often predominates. Permit me to suggest a remedy, which I believe fairly covers the ground on a safe basis, because it is called into action by the level-headed business men of the country, and there is no politics in it.

SUGGESTIONS FOR CHECKING PANICS.

(1) Authorize the banks to issue currency to the face value of their bonds, but in no event to exceed their actual value in the market.

(2) Abolish the one per cent. tax on circulation and charge only for actual expenses.

(3) Reduce the outstanding legal-tender issues by cancellation with the surplus revenues of the Government as soon as permissible.

(4) Compel all banks to redeem their notes in coin at home and also at some central redemption agency.

This will act as an elastic measure to a certain extent as it does wherever the rule is in force.

For an elastic emergency circulation I suggest:

(1) Allow any bank to take out circulation to the extent of twenty-five per cent. in excess of capital on deposit of United States bonds, under a tax of six per cent. per annum for first month, eight per cent. for second month, and ten per cent. per annum thereafter.

(2) Authorize the issue by the Government of $200,000,000 legal-tender notes, redeemable four months after date, but undated, and place them in the hands of the United States sub-Treasurers at Boston, New York, Philadelphia, Chicago, New Orleans, and San Francisco, in proportion as in the judgment of the United States Treasurer may be required.

(3) In case an impending crisis is at hand and three-fourths of all the members in any clearing-house association in any city exceeding 250,000 inhabitants votes to issue clearing-house certificates (which should be legalized and allowed to be held as a part of the reserves

required) on presentation of such clearing-house certificates drawing six per cent. per annum interest for the first month, eight per cent. for the second month, and ten per cent. thereafter, with ample collateral attached, equal in value to the face of the certificates presented, by any bank in the clearing-house association, the sub-Treasurer will thereupon date and pay to such bank legal-tender emergency notes to the amount of three-fourths of the face value of the clearing-house certificates. The cash value of the collateral shall be first approved by a clearing-house committee, selected by the association, of not less than five Presidents of banks which are members of the association, and also shall be approved by the Assistant United States Treasurer before the advance is made.

(4) All the members of the association shall be collectively responsible for the ultimate redemption of the certificates issued by it, as a guarantee that no security will be accepted of doubtful value, and that no possible loss can accrue to the Government.

(5) Each clearing-house shall in no event issue certificates to any bank in excess of three-fourths of its capital and surplus.

(6) Each clearing-house shall have power to call in certificates as in its discretion it may deem prudent, and if any bank fails to redeem its outstanding certificates, after ten days' notice from the clearing-house committee, the United States Treasurer shall proceed to sell the securities in open market in reimbursement, rendering any surplus to said bank. All certificates must be redeemed within four months from date.

(7) When any of the certificates are redeemed the legal tenders shall be cancelled, and replenished in the same form as originally issued, undated.

The foregoing covers the essence if not the detail of the plan. I am not socialistic enough to believe it is for the benefit of the people for the Government to take charge of any business except the distribution of our communications, and to protect us in life, liberty, and the pursuit of happines, except temporarily on extraordinary occasions.

If the Government ought to quiet insurrection for the benefit of its people, why should it not put its strong arms temporarily under us when panic threatens, when by doing so it would save hundreds of millions of dollars to the people by preventing serious panic conditions. The mere knowledge on the part of the people that their strong Government will provide the cash will prevent panic. "You got 'em, I no want 'em. You no got 'em, I want 'em."

There is one more remedy to obtain elasticity under panic conditions which is far more important than all others combined and that is good credit. Daniel Webster said that "credit has done more to enrich nations than all the mines of the world."

During the panic of 1873 the management of the Waukesha National Bank previously had been such that when a run was in progress Andrew E. Elmore, the Sage of Mukwonago, walked into the bank and threw down a package of $7,000 to the teller with the request, "Credit that to my account." His standing and open action had much to do with deterring the panic-stricken depositors. In 1893 again when money was being withdrawn Judge Potter (Bowie-knife Potter) was called upon for a loan of $1,500; he declined it. A couple of months later I received a letter from him asking for a Chicago draft for his deposit. He said he had a call for a loan of the sum when the panic was at its height, but he refused the loan at that time because, as he laconically put it, "he would not be a party to the idiotic race for cash;" but as peace was restored he was ready to take the loan. Such experiences were no doubt common to many bankers whose good credit and previous integrity saved them from serious trouble.

The Bank of England, when its reserves are running low, raises the rate of discount. Her credit is unquestiond, and the world pours its surplus cash into her coffers till normal conditions are established. In 1838 she borrowed £2,500,000 from the Bank of France during panic conditions, and during the Baring troubles she borrowed £3,000,000 more and the panics were stayed. She never threatened to pay back in fifty cent dollars. If she had the loans would have been respectfully declined, which would then have necessitated another suspension of the Bank Act, and probably more serious conditions.

If all banks were run as banks of deposit only, like the Banks of Venice, Amsterdam, and Hamburg, runs would not be known, for they took deposits and never paid out. They simply transferred balances from one man to another. How do you think that scheme would work in the ramifications of the world's traffic now?

The conditions incident to panic can be materially ameliorated if wisdom guides the statesmen in passing good banking laws, and by the bankers themselves raising the standard of integrity and credit. Statesmen who would make an enduring name should be guided by that same patriotism that guided our forefathers in the making of a model Constitution for the Government of this great and prosperous land.

ANDREW J. FRAME.

WAUKESHA, Wisconsin.

IMPORTANT BANK CONSOLIDATIONS.

The movement for a consolidation of banking capital, which commenced a few months ago, still continues, amalgamations being reported from New York, Philadelphia, Chicago and St. Louis.

On November 9 the National Bank of the Republic, Philadelphia, transferred its business to the Fourth Street National Bank, as explained in the following circulars:

NATIONAL BANK OF THE REPUBLIC,
No. 818 CHESTNUT STREET,
PHILADELPHIA, November 9, 1897.

To the Depositors of the National Bank of the Republic:

The Board of Directors of this Bank have determined that it is wise to consolidate its business with that of the Fourth Street National Bank, and to that end arrangements have been made whereby that bank assumes, at the close of business on this ninth day of November, 1897, the payment of all checks drawn by depositors and correspondents on their accounts in this bank. All checks and drafts duly drawn by depositors or correspondents having accounts in the National Bank of the Republic will be honored upon presentation at the Fourth Street National Bank, and that bank will be prepared upon request to issue their own bank deposit books to all of our depositors who may wish to retain their accounts with it.

Respectfully yours, WILLIAM H. RHAWN, *President.*
JOSEPH P. MUMFORD, *Cashier.*

THE FOURTH STREET NATIONAL BANK,
BULLITT BUILDING,
PHILADELPHIA, November 9, 1897.

To the Depositors of the National Bank of the Republic:

Referring to the foregoing circular, we hereby announce that we will be prepared to honor all checks and drafts duly drawn on the National Bank of the Republic, and we shall be pleased to open accounts and furnish banking facilities to such of its depositors and correspondents as may desire to retain their accounts with us. New deposit books will be furnished upon application.

A signature card is enclosed for our reference.

Yours truly, SIDNEY F. TYLER, *President.*
R. H. RUSHTON, *Cashier.*

It is stated that the consolidation was due to increased competition and the difficulty of loaning money at remunerative rates, which made it impossible for the Bank of the Republic to earn satisfactory profits.

The National Bank of the Republic was organized December 5, 1865, and began business May 22, 1866.

President Rhawn and Joseph B. Mumford, the Cashier, of the National Bank of the Republic, have been engaged in the banking business for forty years. They were associated in the Philadelphia Bank as early as 1857, and have been together in their respective positions of President and Cashier for nearly thirty-one years, the former having been elected August 29, and the latter September 1, 1866.

Mr. Rhawn is one of the well-known bankers of the country, having been President of the American Bankers' Association and long identified with banking in Philadelphia. The estimation in which he is held in that city may be inferred from the following editorial in the Philadelphia "Public Ledger" of November 12.

"It is to be regretted that, by the merger of the Bank of the Republic into the Fourth Street National Bank, Mr. William H. Rhawn withdraws, at least temporarily, from active occupation in financial matters. Mr. Rhawn has been a prominent man in the business affairs of Philadelphia for a longer period than is usually found in the case of those who have been so active and energetic. No one in the community has a higher reputation for integrity, fidelity and industry than he has. He has been conspicuous in banking affairs, not only as connected with the Bank of the Republic, but also with the general banking system of the country. He has been identified with the City of Philadelphia and its interests, and has taken a large part in what concerns its prosperity, for over thirty years. Broad minded and public spirited, he has always been found an advocate of that which was right and sound in municipal and national affairs.

We sincerely trust that Mr. Rhawn may still be found among the active business men of Philadelphia in some sphere for which his abilities may fit him. With his experience, he can but be most valuable in any line of life which he undertakes. It is to be hoped that Philadelphia may be able to avail itself of his services and capabilities in some other position, which may prove to be alike agreeable and successful."

The individual deposits of the National Bank of the Republic are about $700,000 and the bank deposits $500,000. By the consolidation a substantial addition will be made to the already large and prosperous business of the Fourth Street National, which has had a remarkably successful career.

New York Banks Consolidate.

It was announced on November 20 that the Western National Bank had purchased nine-tenths of the stock of the United States National Bank, paying therefor at the rate of 225 per share. So that the sale was made at a price entirely satisfactory to the stockholders who disposed of their interests.

The United States National Bank was organized in 1881 and did business at 41 and 43 Wall street, and had $500,000 capital.

The Western National Bank does business in its superb building at Pine and Nassau streets, the site of the old clearing-house. It was established in 1887. Its first President was Daniel Manning, and succeeding him have been Conrad N. Jordan, Brayton Ives and John E. Searles. Its directors are Charles J. Canda, Juan M. Ceballos, William N. Coler, Jr., Chauncey M. Depew, Marcellus Hartley, Henry B. Hyde, Brayton Ives, John Howard Latham, Gen. Thomas H. Hubbard, John E. Searles, Valentine P. Snyder, Sidney F. Tyler and Dr. James H. Parker. Mr. Snyder is the bank's Vice-President.

By the consolidation the Western National will add five or six millions to its deposits, making a total approximating $30,000,000, which will place it in the ranks of the very large banks of the city.

The completion of its splendidly arranged banking house and this large addition to the volume of its business indicate the progressive character of the management of the Western National.

Bank Consolidations Elsewhere.

It is reported that after January 1 the Hide and Leather National Bank, of Chicago, will merge its business into that of the Union National Bank.

The consolidation of the Citizens' Bank with the American Exchange Bank is announced at St. Louis.

Resolution of Sound Money League.—The Executive Committee of the National Sound Money League, in session at New York November 9, adopted the following:

"International bimetallism, as a world possibility, is dead. Let us recognize this. The International Bimetallic Commission, appointed under the St. Louis pledge of the Republican party, have made strenuous efforts in behalf of this policy. These efforts have proved futile. The commercial necessities of the world have demonstrated that a dual standard is commercially unacceptable and, in the present stage of civilization, impossible.

"The hour has come, it seems to us when a national recognition of this fact is necessary. The situation demands a definite, clear, unequivocal declaration that international bimetallism is a dream of the past. The United States must proclaim their acceptance of a world-fact, and plant themselves firmly on the single gold standard. The proclamation of this monetary position will quicken our commerce, increase foreign investment, and make permanent the prosperous conditions which have begun to manifest themselves in our country. We invite the friends of sound money and all who would contribute to the well-being and safety of our commercial life to join in bringing about the unmistakable declaration that now and henceforth the monetary system of the United States shall rest on the single gold standard."

News of the Treasury.—Comptroller of the Currency James H. Eckels has placed his resignation in the hands of the President, to take effect December 31. Mr. Eckels will become President of the Commercial National Bank, Chicago, January 1.

—On December 2 Blanche K. Bruce, of Mississippi, but for many years a resident of the District of Columbia, was appointed Register of the Treasury, to succeed J. Fount Tillman. Mr. Bruce formerly held the office during the Administration of President Hayes.

OPEN LETTERS FROM BANKERS.

AN INTERCHANGE OF OPINION BY READERS OF THE MAGAZINE.

CURRENCY, CONGRESS AND THE BANKS.

Editor Bankers' Magazine:

SIR:—The banking interest was a potent factor in the presidential campaign. It should continue to be equally potent until the currency question is finally settled on the side of honest money and an honest standard.

It is well, therefore, that the bankers of the United States have spoken through the American Bankers' Association and that the great subject of currency reform will be brought before Congress by men thoroughly competent to discuss the question from both a theoretical and a practical point of view.

The last campaign and the great victory on the day of election taught the bankers of this country a lesson which they greatly needed to learn and that was that the best plan for the whole banking interest is always to have a full, free and honest discussion of the issues before the people. Up to that time it had been too much the habit of banks and bankers to remain silent under attack. Any demagogue or sand-lot orator might berate "capital" and "capitalists" and there was none to say him nay. Some judged that it would be useless, others that it would not be worth while to answer arguments that were without reason or to correct misstatements that none but the most ignorant could believe. And so, little by little, there has been built up a great wall of prejudice against banks and bankers. From that prejudice they have suffered much and they still continue to suffer. But the issue of sound money against a dishonest and fluctuating currency roused every man to action and the result was as certain as that day shall follow night. Full credit should be given to every force that made for that result. But the victory was not due solely to any particular party, much less to any one individual. On the great question of the honest fulfillment of the nation's obligations the hearts of the American people burn within them. They hate dishonesty. They have always hated it. For a time it was so wrapped up in complex financial questions that it was hidden away from the mass of the people. But at length it was discovered and dragged to light. That was sufficient. From that moment its sentence was pronounced and it could never escape.

But the battle is not yet over; there is yet a good fight to be fought on the floor of the House of Representatives and in the Senate Chamber. Let the work be done now and let it be done so well and so thoroughly that no man can undo it.

At the next session of Congress the overshadowing issue will be currency reform. Let the enemies of a sound and stable currency be forced from their ambush and made to fight in the open. The banking interest has nothing to fear from a free, peaceable and orderly discussion of this great question. On the contrary, it is only by the fullest and fairest debate that the truth can be finally reached. But the banks should not depend upon organized effort alone for the forwarding of their cause. Every bank officer and every private banker should make it his individual concern to do all that lies in his power to bring this one great question to a successful conclusion. Editorials and magazine articles are admirable in their way and exert great influence with the reading portion of the community. But the currency question needs the vital force of personal argument and personal influence. Let the matter be taken up at the directors' meetings and a plan of action agreed upon. Let the President and the other officers talk the matter over quietly and without excitement with the customers of the bank. Point out the necessity for action and the danger of delay. Hold the subject up in every light of which it is capable. Make each man feel that it comes home to him and concerns his interests. Let all discussion be placed upon the high plane of public necessity and the public honor. For, in truth, it is no party question that is at stake. It were idle to rehearse in a bankers' magazine arguments in favor of a public policy as to which all bankers are agreed. But it is not enough to simply agree as to what is best. Silence and sloth are but poor weapons with which to fight the restless activity of designing demagogues and the unceasing labor of men whose fortunes are advanced by the misfortunes of others. If the bankers of the country want the victory they must fight for it and, if they fight for it, the victory is theirs.

J. H. B.

BALTIMORE, Md., Nov. 27, 1897.

INSURING DEPOSITS IN NATIONAL BANKS.

Editor Bankers' Magazine:

SIR:—An annual contribution of ninety-three cents on each $1,000 of deposits held by the National banks of the United States from 1865 to the close of 1896, omitting the years 1870, 1871 and 1880, would have paid the entire losses sustained by the depositors in failed banks of that system.

The total net profit to the Government from tax on capital, deposits, circulation and other items from 1863 to October 31, 1896, is stated to be $157,439,248 $\frac{88}{100}$ (see page 109 Comptroller's Report for 1896). Of this amount $60,940,067 $\frac{18}{100}$ was realized from a tax on deposits in National banks prior to March 3, 1883, and is nearly twice the total loss of deposits in all the three hundred and thirty (330) failed National banks from 1863 to 1896.

During the thirty-four years (1863 to 1896) covered by the Comptroller's report, the annual average of deposits held by all the National banks was	$1,537,500,000
And if for those years a tax of one-tenth of one per cent. had been put into a safety fund for depositors, the total fund would have been	52,275,000
Total loss to depositors deducted therefrom	33,691,128
Would give an accumulated surplus of	$18,583,872

The present tax of one per cent. per annum on the outstanding circulation of $209,900,000 yields an annual fund of $2,099,000. This could be reduced to one-quarter of one per cent. and give the Government a handsome profit for supervising the banks.

One-quarter of one per cent. on $209,900,000 is	$524,750
One-eighth of one per cent. on the present deposits of $2,028,200,000 is	2,535,250
Total charge against the banks would be	$3,060,000

An increase of $961,000 on what they are now paying on circulation alone.

The above facts are taken from a circular which I sent to the National banks of the United States a short time ago, submitting a proposition for the establishment of a safety fund for National bank depositors and requesting the opinion of each bank, either of approval or disapproval.

The plan submitted proposed a reduction of the tax on circulation from one per cent. per annum to one-quarter of one per cent. per annum and a contribution equal to one-eighth of one per cent. per annum on the average deposits held by each bank, the safety fund so raised to be placed in the hands of the United States Treasurer as custodian, and to draw a small rate of interest until applied to losses thereby guaranteed.

Three thousand five hundred and fifty-nine circulars were sent to the National banks. Replies have been received from every State in the Union, except Delaware, Nevada, Arizona, the District of Columbia and Indian Territory. Forty-nine circulars were sent to the States making no response; 348 banks have answered, being practically one reply for every ten circulars sent out.

These replies have been classified as follows. By the usual grouping of States the replies by banks are:

	In favor.	*Opposed.*
Six Eastern States	9	13
Six Middle States	42	13
Thirteen Southern States	52	13
Ten Western States	117	50
Fifteen Pacific States and Territories	33	6
Totals	253	95

Considered per capita, the replies are seventy-two per cent. in favor and twenty-eight opposed, or of every seven replies, five are in favor and two opposed.

Considered by circulation outstanding, the replies are $7,590,700 in favor and $8,334,991 opposed.

Considered by capital invested the replies are $26,682,700 in favor and $27,264,000 opposed.

Considered by deposits held, omitting what is known as bank deposits, that is, country bank deposits in city banks, the replies are $52,969,310 in favor and $78,493,420 opposed.

Or, the replies received are ten per cent. of entire number of banks, nine per cent. of entire capital invested, and eight per cent. of entire circulation outstanding.

The replies received are seven and a half per cent. of entire deposits held.

While the replies have been fewer in number than were desired, they have been very evenly distributed over the various interests represented.

Of the ninety-five replies opposed to the plan, thirty gave no definite reason for their opposition, sixty-five gave mainly two objections:

First. "That well-managed, honestly-conducted and successful institutions would be asked, or rather compelled, to make good the losses sustained by the patrons of poorly-managed, dishonestly conducted and weak banks;" or as some gentlemen stated the objection, "Honesty, prudence and success would pay a premium to dishonesty, carelessness and failure, and it might become an invitation for unscrupulous people to enter the banking business in hopes of having their losses paid by the safety fund."

The prosecution and punishment for counterfeiting a Bank of England note is swift and relentless. If the evil-doers, both on the inside and outside of American banking, were pursued with the same vigor and the sentence of punishment were without the hope of mitigation or pardon, the fear of what the unscrupulous might do ought not to be a hindrance.

The objection that this plan would induce carelessness and thus failure does not appear forcible, when it is considered that such an idea carries with it the proposition that a man would prefer business failure rather than success. Can one conceive of such a proposition as within reason?

Second. That a bank with an already large line of deposits would have to pay so heavy a portion of the safety fund that they would be unwilling to participate in the plan.

Several bankers stated that in their localities competition is so sharp that the banks are compelled to pay some interest on deposits and daily balances in order to hold their trade, and that a contribution to a safety fund could not be borne in addition to the present taxes and interest charges. This objection has some weight if offered by a non-interest-paying bank, but for a bank paying one and one-half per cent. per annum interest on one-half or one-third of its deposit line, the equivalent of six-eighths or four-eighths of one per cent. per annum on its entire deposits, the objection has less force, especially if the result should be to abolish the custom of paying interest on deposits.

A letter written by a banker in the Northwest, from a State where twelve per cent. interest may be legally collected, says: "Forfeit the charter of any bank that pays interest to its depositors." Another gentleman says: "Such a guarantee would materially increase the list of depositors and remove the desire on the part of the banks to encourage the payment of interest on deposits." And a third says his bank "does not wish to attract any more deposits."

One banker offered the suggestion that the present tax on circulation was voluntarily submitted to by his bank, that it could regulate the amount of tax it should pay by reducing the volume of its circulation if it chose to do so, but a safety-fund contribution would be a direct tax in which the bank might have no opportunity to exert its option.

In reply to this objection, if a safety fund is to be established it would be only equitable to give the banks already organized an option to take part in the fund or not, as they may elect.

One of the largest banks objected that "such a plan would tend to develop the country faster than would be prudent, safe or best for the interests of the various communities; new settlements must grow strong through trial and tribulation, if their path is made easy their growth will be unhealthy and, though rapid, will lack strength. Were their deposits guaranteed the final result would be to place the rate of interest practically on an even basis throughout the length and breadth of the United States."

Two or three objectors use the words "un-American" and "paternalism." As the Government is only designated as custodian of the fund, the paternalism does not seem to apply. So much for the objections.

In favor of the proposed plan the strongest idea seems to be that, though such a plan might level some differences, it would make the National banks more homogeneous, there would be less of the idea of each bank for itself and more regard for the best interests of the whole system.

An Eastern banker writes: "It destroys differences where differences perhaps ought to exist, and in a measure makes equals of unequals, but the benefits resulting to the business world would be so great that they ought to override all other considerations." And from a large bank in the same State I quote, "It is just as important and equitable for the Government to hold a special guarantee fund to secure deposits from loss in failed banks, as to provide the present protection to note holders. A large increase in the number of National banks with corresponding increase of circulation would result." Another gentleman writes: "It would not only give confidence, but it would protect where protection is most needed, among the poor or small depositors. We should never forget that the poor man's all is as much as the rich man's all. I hope the matter will be pressed upon Congress."

There are so many different systems of banking in the United States with no uniformity of action on any question that it is not strange many people advance the idea that the "survival of the fittest" should be allowed to govern.

It seems to be impossible to introduce in this country a system of large banks and branches without a tendency toward the old State banking customs. The circulation of that class of banks would not now be tolerated by the people.

The great extent of our country requires localized banks with common features that will give their united action a prestige equal to the Bank of England or the Bank of France and still be free from such political control as might attach to one great central bank and branches.

One gentleman says: "It would probably be best to treat this subject as a part of a broader scheme for the reform of our banking and currency laws, which, it is generally admitted, should be reconstructed upon scientific principles."

The trend of State legislation of late years has been unfriendly to organized capital, notably as to the banking business, in the reduction of the legal rates of interest and a full assessment of taxation, often more in proportion than other moneyed capital is assessed.

Eleven States, Alabama, Colorado, Indiana, Kansas, Missouri, Nebraska, North Dakota, Oklahoma, South Carolina, Virginia and Washington, have imposed penalties of fine and imprisonment for receiving deposits after the bank is insolvent; this may not be so unreasonable, but in one State at least, Indiana, the law reads: "The failure, suspension or involuntary liquidation of a banker, broker, banking company or incorporated bank within thirty days after the time of receiving such (lost) deposit shall be *prima facie* evidence of an intent to defraud on the part of such banker, broker, or officer of such company or incorporated bank."

In a locality where a large number of laborers and mechanics are employed a small bank may be frequently compelled to have its entire capital available in cash or at its credit with a city bank in order to obtain cash for pay-rolls. An accident at either end of the line, entirely beyond the control of the small local banker might render him insolvent at a moment's notice, and it would be manifestly unjust to hold him liable to fine and imprisonment for any deposit received within the previous thirty days.

If the State Legislature calls in question our honesty and integrity thirty days before the fact occurs, it is full time the banks provided themselves with a safeguard.

A letter received from a gentleman in one of the Southern States is so directly to the point that I quote from it with great pleasure:

"I believe the National system can be improved and made the system of the world. Your idea is a step in the right way. The need of some such plan has long been evident. What is more helpless than a bank, when it should be strongest, and I am sure we can devise a system which will be good and strong. Now, we have no measure of protection or of protecting ourselves against depositors. We simply exist by kindness, depending upon the hopeful side of life's prospects. We ever stand ready to be sacrificed, every President and Cashier, and we cannot tell how soon. We stand and simply try to convince ourselves that we are one of the few who can control the herd and be saved. Hence, you see, intense selfishness possesses each officer and every bank, and our lives become selfish, and a burden to us. Why should a business be so conducted that every man in it stands, as it were, on the top of a magazine which is liable to explode, and his whole life, be it ever so good, blasted?"

One feature brought out by this correspondence is the fact that within the last few months at least five gentlemen have written papers on proposed currency reform, neither knowing of the other's action, the difference in their localities and the lack of acquaintance preventing an exchange of opinions. They are: Mr. Frame, of Waukesha, Wis.; Mr. Allis, of Erie, Pa.; Mr. Morehead, of El Paso, Tex.; Mr. Marble, of Los Angeles, Cal., and another from Indiana, whose papers are similar in their plans, and four of whom strongly recommend a safety fund for deposits, while the fifth says the "two principal features necessary to a sound banking system are unquestioned integrity of the currency and maximum security of deposits."

In order to perfect the system there are other changes in the National Bank Act that should have attention. This paper has been confined to the discussion of but one of the needed amendments. CHARLES S. ANDREWS,

BRAZIL, IND., Nov. 15. *President First National Bank.*

AMENDING THE NATIONAL BANKING LAW.

Editor Bankers' Magazine:

SIR:—The country demanded a protective tariff and the Dingley bill is now in force; the country now demands the retirement of the greenbacks by the issue of fifty year three per cent. bonds for that purpose; the National Bank Act amended so as to require the National banks to buy the bonds at par and pay for them in gold, or greenbacks, and the greenbacks cancelled. The National Bank Act to be further amended so as to allow the issue of circulating notes, none, however, under ten dollars, equal in amount to the face value of the bonds deposited, and the reduction of the tax on circulation to a percentage sufficient to pay the expenses of the department of the Comptroller of the Currency. The National bank notes to be redeemable in coin by the banks at their own counters, and not elsewhere. To make them redeemable at an agency in New York, or Washington, would be to put in motion an endless chain similar in character to that which forced the issue of $262,000,000 of United States four per cent. bonds. The National bank notes if redeemed at an agency would be shipped by express at the expense of the banks, and in order to restore the redemption fund such banks instead of shipping coin from their own vaults for that purpose would ship other National bank notes, at their own expense, with instructions to present for redemption and credit the coin to the redemption fund account, and that would necessarily put in motion the endless chain referred to and make the redemption of National bank notes very expensive to the banks.

It is absolutely useless to enact laws, or amend the existing Act, for the purpose of an expansive bank circulation and add conditions and burdens that would make such circulation of no profit to the banks. There must be a profit to the banks upon circulating notes, otherwise the circulation, as under the existing law, is of no value to them.

I feel confident that with the amendments suggested the National banks of the country would increase their circulating notes as rapidly as the greenbacks could be retired and cancelled, and without in any manner depressing or obstructing the general business of the country. And further, that the five per cent. fund now required to be kept with the Treasurer of the United States under the existing Act shall be used exclusively for the redemption of ragged and mutilated notes, unfit for circulation, to be cancelled and new notes issued therefor as now done under said Act. To require the banks to redeem their circulating notes at their own counters will distribute the gold and silver upon a parity among the banks of the country where the same would be held for the redemption of their circulation and a reserve funds, and not as now held in the United States Treasury and the New York bank. The present capital of the banks is nearly $700,000,000, and their circulating notes near $200,000,000, while under the amendments suggested the circulating notes of the banks wou be increased to an amount equal to the capital. The retirement and cancellation of th greenbacks seem only a matter of time when this must be done.

The Treasury Department was forced to issue $262,000,000 of four per cent. bonds to restore and to maintain the gold reserve of $100,000,000, and it now costs the annual interest on this issue of bonds to carry this reserve. The endless chain is still unbroken and the further issue of bonds for a like purpose may at any time be repeated. It may be admitted that a part of the proceeds of the sale of the bonds was applied to the payment of a deficiency in the current expenses of the Government, but this deficiency did not require the whole issue of the bonds for that express purpose. The bond issue was made to restore and maintain the gold reserve.

And again: The law authorizing the issue of silver certificates should be repealed and the outstanding certificates redeemed in silver and cancelled. If the silver coin now in the Treasury vaults was forced into circulation by the retirement of the silver certificates, the free and unlimited coinage of silver would never again be an issue in the future presidential campaigns. It always seemed absurd to store silver in vaults and issue certificates just as is done in Chicago, and elsewhere, in the storage of grain in elevators for which receipts are issued. Silver coin should be treated as a circulating medium and should be put into circulation. In the absence of circulating bank notes under ten dollars I am inclined to believe that the silver now coined would not be sufficient to meet the demand for it in the daily business transactions of this vast country.

If this is not done the free and unlimited coinage of silver, as an issue, will be stronger in 1900 than in the late presidential campaign. The vicious attack upon the United States Supreme Court and the spirit of anarchy expressed in the Chicago platform defeated Bryan. If the free and unlimited coinage of silver had been the naked issue in the campaign he would most undoubtedly have been elected. CASHIER.

CINCINNATI, O., Nov. 24.

REFORMING THE SUBSIDIARY COINAGE.

Editor Bankers' Magazine:

SIR:—At last there is a rift in the dark cloud of contention between the Northeast on one side of the financial question and the West and South on the other; a very small one it is true, but better than none. In a plan offered by Mr. George G. Williams, President of the Chemical Bank, of New York, for the issue of bonds for the perpetuation of the public debt that the issue banks may continue, he concludes by saying that the filthy nickel coinage ought to be retired and our neat silver five cent piece coined again in place of it. As I first proposed this nineteen years ago in a pamphlet, I am glad to see that the idea is so rapidly spreading. One addition in nineteen years is better than none, and the weight of Mr. Williams' name will make a strong impression in favor of it. I will add, that in order to make the coins the easier and more convenient to handle they ought to be made of one-twentieth the weight of the dollar. The reason for making the fractional coins of less proportionate weight than the dollar that existed in 1853 no longer exist. We ought also to begin with that coin the habit of putting the weight and fineness of each coin on it, even if we have to dispense with the theology now on them. GEO. WILSON.

LEXINGTON, MO., Nov. 22.

RETIRING THE GREENBACKS—UTILIZING SILVER ON HAND.

ISSUE DEPARTMENT OF THE TREASURY.

Editor Bankers' Magazine:

SIR:—Create an Issue Department of the United States Treasury, to have custody of Government specie reserve, viz.:

Gold coin and bullion	$190,387,256
Silver coin and bullion (market value)	220,000,000
	$410,387,256

Issue notes to retire all the existing Government issues on presentation, such notes to be a legal-tender except at this department, and to be free from taxation, and in the following denominations—$1, $2, $5, $10, $20, $50, $100, $500, $1,000, $5,000. The position of this department would then be as follows:

Assets.		
Bullion on hand as above		$410,387,256
Liabilities.		
Gold certificates	$ 38,345,169	
Silver certificates	384,170,504	
Treasury notes	109,313,280	
United States notes (out)	346,681,016	$878,509,969
Excess of liabilities		$468,122,713
Of which banks would hold in their reserves as required by law (40 per cent)	$187,000,000	
And small notes in circulation, 1s, 2s, and 5s, would probably amount to	150,000,000	$337,000,000
Leaving a surplus of		$131,122,713

This amount should be retired gradually from surplus revenue or sale of bonds.

This department should have the option of redeeming in gold coin or silver bullion, the latter at its market value. To take the place of such redeemed currency, authorize National banks and State banks to issue notes of denominations not less than $10 against Government bonds as at present, but on more favorable terms.

The Issue Department should also be authorized to issue notes against deposits of United States gold coin, gold bullion or foreign gold coin at their market value. All silver coin in the United States Treasury with the exception of so much as is necessary for subsidiary purposes, should be melted into bars and held for redemption purposes as provided for, and silver coin should no longer be a legal tender for amounts exceeding $10.

BANK NOTES AND RESERVES.

Banks should be authorized to issue their notes in denominations not less than $10, to the extent of ninety-five per cent. of market value of Government bonds deposited with the Treasurer of the United States, etc., etc. (or the par amount of bonds at a lower rate of interest should be issued).

To require all banks taking out such currency, in fact, all banks, to keep a cash reserve of at least twenty-five per cent. of all their liabilities. Not less than forty per cent. of such reserve to be held in notes of the Issue Department, the balance in gold coin.

NEW YORK, Nov. 27. FOREIGN BANKER.

A banker was scorching along one day,
  As bankers sometimes do,
When he struck a stone and was wildly thrown
  As much as a rod or two.
But he lit on his feet in a manner neat
  And came to a gentle halt,
For in business he had learned, you see,
  How to manage a safety vault.—*Exchange.*

BANKING AND FINANCIAL NEWS.

This Department includes a complete list of NEW NATIONAL BANKS (furnished by the Comptroller of the Currency), STATE AND PRIVATE BANKS, CHANGES IN OFFICERS, DISSOLUTIONS AND FAILURES, etc., under their proper State heads for easy reference.

NEW YORK CITY.

—At the time of the consolidation of the Third National Bank with the National City Bank the combined deposits were about $50,000,000. The net deposits of the National City are now almost $80,000,000.

—Thomas W. Wood, President of the National Academy of Design, has painted three more portraits for the gallery in the meeting room of the clearing-house association. One is of Thomas Tiliston, who was the first President of the clearing-house and President of the Phenix National Bank, and the others of George D. Lyman, first clearing-house manager, and his successor, William H. Camp. Mr. Tiliston's portrait is donated by his family, and those of Messrs. Lyman and Camp were subscribed for by bank Presidents.

—The subscriptions for a new building for the Chamber of Commerce now amount to $635,000.

—It is reported that the Standard National Bank will probably be absorbed by the new Produce Exchange Trust Co.

—An executive session of the Council of Administration of the New York State Bankers' Association was held at the rooms of the Chamber of Commerce Nov. 22. A. B. Hepburn, Vice-President of the National City Bank, and President of the State Association, presided. Among those present representing the various groups were the following: Alfred J. Barnes, Cashier City Bank of Buffalo; George W. Thayer, President Alliance Bank of Rochester; Charles Adsit, Cashier First National Bank of Hornellsville; George L. Bradford, Cashier Oneida National Bank of Utica; J. H. De Ridder, Cashier Citizens' National Bank of Saratoga Springs; David Cromwell, President White Plains Bank; John A. Nexsen, Cashier Fulton Bank of Brooklyn; Thomas L. James, President Lincoln National Bank, New York; F. W. Barker of Syracuse, Treasurer, and Secretary W. E. Frew of Long Island City.

It was decided to invite Secretary Gage to address the next annual convention, to be held at Niagara Falls.

—Stock to the extent of $1,000,000 has been subscribed for the organization of the Produce Exchange Trust Co. by prominent members of the Produce Exchange. The new company will have its main office at 26 Broadway and a branch at Madison Avenue and Twenty-third street.

—A meeting of the Executive Committee of Group VIII of the New York State Bankers' Association was held at the Lincoln National Bank, Nov. 20, Gen. Thos. L. James presiding. It was decided to have a banquet in the first week of February.

—A seat in the Stock Exchange was recently sold at auction for $17,000.

—John Loughran, President of the Manufacturers' National Bank, Brooklyn, entertained the directors of the bank at dinner at his home, 4 South Portland Avenue, on the evening of Nov. 23. Those in attendance were: William Dick, William F. Garrison, James Rodwell, Andrew D. Baird, John H. Shults, John Mullenhauer, George L. Fox, Jacob Healy, Bernard Gallagher, William Vogel. C. G. Moller, John Loughran, Mayor Wurster and Marvin Cross.

—J. Edward Davis, a member of the Stock Exchange, has been admitted to the firm of J. W. Davis & Co., of which his father is the senior partner.

—Owing to the consolidation of the United States National with the Western National Bank some changes in clearing-house agents were made necessary. The Colonial Bank and the First National Bank of Staten Island will hereafter clear through the Western National Bank, and the Sprague National Bank of Brooklyn will clear through the Hanover National Bank.

—The 129th annual dinner of the Chamber of Commerce of the State of New York was given at Delmonico's, Tuesday evening, November 23.

President Alexander E. Orr was the first speaker, and referred to the national finances as follows:

"It will be remembered by very many here to-night, I remember it very well, that the stress of civil war compelled the legislative body in 1861 and 1862 to direct an executive department of the Government to enter into a system of banking and legal-tender note issue which was never contemplated by the Constitution, and for which it was not then, and has never since been, adequately equipped.

This action was regarded at the time as a war measure, pure and simple, and tolerated as such, but, notwithstanding the fact that the war terminated over thirty years ago, and that the major portion of the war debt has since been liquidated, it has been permitted to grow into a most insidious source of National financial weakness, an endless chain, as ex-Secretary Carlisle used to call it, of commercial anxiety and distrust, masking itself behind any and every condition of prosperity, but ever ready to show its face and come to the front, whenever a disturbing cloud is seen to appear upon the financial horizon.

I think we are all of one mind that there cannot be two great banking systems successfully operated at the same time in this country, one by the Government and one by the people, and that that which is not legitimate must ultimately stand aside, and there cannot be much difference of opinion, that sooner or later the Government must be that one."

Secretary of the Treasury Lyman J. Gage also spoke on the finances. His views on this subject are more fully presented in his Annual Report, published elsewhere in this number.

—A meeting of the executive committee of Group VI of the State Bankers' Association was held at the Manhattan Hotel, November 16, to discuss plans and arrange schedules for next year's meetings. David Cromwell, Chairman of the group, and President of the White Plains Bank, presided.

—It is reported that a new trust company will be organized by the directors and others interested in the First National Bank, Brooklyn, and operated in connection with the bank, and that the capital of the bank may be increased.

—Henry C. Berlin has been added to the board of trustees of the Knickerbocker Trust Co.

—Henry R. Kunhardt was recently elected a director of the Phenix National Bank.

—G. W. Seamans, of Messrs. Wyckoff, Seamans & Benedict, has been elected a director of the Bedford Bank, Brooklyn.

—W. R. Houghtaling & Co. is the style of a new Stock Exchange firm, composed of W. R. Houghtaling and Wm. B. Nivin, both members of the exchange.

—The Chase National Bank will increase its capital stock from $500,000 to $1,000,000. Although most banks are complaining of the plethora of money and some of them reducing their capital stock, the Chase National, by reason of its increased business, can profitably use the additional capital. It recently extended its charter.

—The National Bank of the Republic was recently designated as the fiscal agency for the State of Kansas.

—The weekly statement of averages of the associated banks, issued November 27, broke a number of records. Both the aggregate of deposits, $65[illegible],861,500, and the aggregate of loans, $594,267,500, were the largest in the history of the clearing-house. On November 23 the balances at the clearing-house were $16,283,617—the largest on record, and the exchanges $182,464,000.

—Permission has been granted by Comptroller Eckels for the organization of a new bank in this city, to be called the Astor National Bank, which will conduct its business in the Waldorf-Astoria Hotel. The organizers of the bank are John Jacob Astor, George F. Baker, President of the First National Bank; Charles A. Peabody, Jr., who represents William Waldorf Astor; Fisher A. Baker, the partner of Mr. Peabody in the law firm of Peabody, Baker & Peabody, who is also a director of the First National Bank, and Henry B. Ely, who represents John Jacob Astor. The bank is an enterprise of the combined Astor interests and the interests identified with the First National Bank. Its capital is to be $300,000. It is intended to begin business early in the coming year.

—The value of the clearing-house system was recently well illustrated, when the Chase National Bank settled $8,000,000 of exchanges at the clearing-house by a payment of but $1,000 in cash.

—The annual banquet given by the directors and officers of the Hanover National Bank to their employees was held at the Hoffman House on the evening of Dec. 4. The grand ballroom was converted into a banquet hall for the occasion. Covers were laid for about 100 guests. Secretary W. L. Oliphant presided, and, besides the clerks of the bank, there were also present nearly all the executive officers, as well as the managers of the various departments. There were no wines or liquors. The Hanover National Bank is the only bank in the city that has such a dinner annually.

NEW ENGLAND STATES.

Failed Bank Pays a Dividend.—A. G. Whittemore, Receiver of the Dover (N. H.) National Bank, has declared a dividend of ten per cent. to the stockholders. The depositors have already been paid in full. The failure of the bank occurred about two years ago. It was caused by the defalcation of Cashier Isaac Abbott, who, after destroying some of the books of the institution, committed suicide.

Boston.—Benjamin B. Perkins, Cashier of the Lincoln National Bank, and who has been connected with the bank since its organization, has been elected a director of that institution.

Cashier's Murderer Sentenced.—Joseph E. Kelley, convicted of murdering Joseph A. Stickney, Cashier of the Great Falls National Bank at Somersworth, N. H., in April last, was sentenced to thirty years imprisonment, Nov. 14.

Run on a Savings Bank.—An unfounded rumor that the Westfield (Mass.) Savings Bank had sustained losses in connection with the recent failure of the Bay State Beneficiary Association, caused a run on the former institution on Nov. 10. The bank has a large surplus, and there was no occasion for the run, as it had sustained no losses.

MIDDLE STATES.

Buffalo, N. Y.—On account of failing health Charles T. Lathrop has tendered his resignation as Assistant Cashier of the People's Bank. Mr. Lathrop has been in the banking business in this city for twenty-eight years.

—Edward W. Eames has been elected President of the Buffalo Commercial Bank, and Hon. Henry Parsons, Vice-President.

—Formal application was made recently for a dissolution of the Farmers and Mechanics' Bank, which has assets largely in excess of liabilities, but desires to go out of business.

—Group I of the New York State Bankers' Association met here on Nov. 18. A. J. Barnes, Cashier of the City Bank of Buffalo, presiding. After discussing a number of practical banking topics, officers for the ensuing year were chosen as follows: Chairman, Frank E. Johnson, Cashier of the Bank of Suspension Bridge; Secretary, F. I. Pierce, of the Power City Bank, Niagara Falls; executive committee, Pascal P. Pratt, of Buffalo; E. F. Dickinson, Cashier of the Jamestown National Bank; Benjamin Flagler, of Niagara Falls; D. W. Tomlinson, President of the Bank of Batavia, and Frank L. Bartlett, of the Exchange National Bank of Olean.

New National Bank.—R. P. Grant and others are organizing the National Exchange Bank, of Clayton, N. Y.; capital, $50,000.

Washington, D. C.—Recent reports were to the effect that the Ohio National Bank will go into voluntary liquidation, and will be succeeded by a Savings bank.

Proposed New Banks.—New banks are projected at Charleroi and Elizabeth, Pa.

Baltimore, Md.—An association of bank clerks is being organized by the clerks of the banks composing the clearing-house association.

State Bank Authorized.—On Nov. 12 the State Bank Superintendent authorized the Cornwall (N. Y.) Bank to do a general discount and deposit business; capital, $25,000. Walter E. Frew, President of the Queens County Bank, Long Island City, N. Y., is one of the directors.

Newark, N. J.—Col. E. L. Dobbins has been elected Vice-President of the Newark City National Bank, to succeed the late Albert Baldwin. The office of Assistant Cashier was created and Albert Baldwin, Jr., appointed to the position.

Delaware Bankers' Association.—The Delaware Bankers' Association, which was organized Dec. 18, 1895, held its annual convention at Wilmington on Nov. 18. The following officers were elected: President, Philip L. Cannon, of Seaford; Vice-President, George S. Capelle, Secretary-Treasurer, John H. Danby; Executive Committee, Philip L. Cannon, Preston Lea and Edward Andrews.

John B. Smith was elected a delegate to the meeting of the American Bankers' Association, and Joseph L. Gibson, of Odessa, was elected an alternate.

The following was unanimously adopted:

"*Resolved*, That we are opposed to free coinage of silver and of any debasement of the currency; that we believe that the true interests of the country will be best served by its adherence to the gold standard, which will preserve our financial integrity and future welfare."

The matter of abolishing days of grace was discussed and it was the sense of the meeting to recommend a bill to be presented to the Legislature to that effect. Philip L. Cannon, John B. Smith and Joseph W. H. Watson were named as a committee to advocate the passage of such a bill by the Legislature.

Private Bank Robbed.—August Heine's bank at Silver Creek, N. Y., was robbed of about $10,000 by burglars, Nov. 10.

Syracuse, N. Y.—A certificate of organization has been filed with the State Banking Department by the American Exchange Bank of this city; capital, $200,000.

SOUTHERN STATES.

Augusta, Ga.—At the annual meeting of the stockholders of the Georgia Railroad Bank, November 9, Charles H. Phinizy declined re-election as President, on account of failing health. Jacob Phinizy was elected to succeed him.

New Bank in Georgia.—The Merchants' Bank has been established at McRae, Georgia, with $10,000 capital, which will be increased as business requires. Tom Eason is President and L. L. Campbell, Cashier. The Lowry Banking Co., of Atlanta, is a correspondent of the new institution.

Banks to Consolidate.—It is reported that the Loan and Exchange Bank and the Canal Bank of Columbia, S. C., are to be consolidated.

Gain in Clearings.—For the six months ended December 1, the Birmingham, Ala., Clearing-House reports total clearings of $10,862,639, an increase of one and one-fourth millions over the same period last year.

Proposed Banking Law.—A bill has been introduced in the Georgia Legislature creating a new banking system, with note issues by State banks up to fifty per cent. of their capital stock. The bill makes it the duty of the Attorney-General to defend such banks in the courts against all attempts to collect from them the ten per cent. imposed by Federal law.

New Southern Banks.—The Bibb County Savings and Trust Co., capital stock $50,000, has opened at Centerville, Ala.

—The Merchants and Planters' Bank has been organized at Bainbridge, Ga., with $100,000 capital, and will begin business about January 1.

—T. B. Williams and others have organized the Bank of Patterson, La., capital, $18,000.

—The Bank of Clinton, La., recently opened for business.

—The Bank of Enfield, N. C., will open for business January 1.

—The Bank of Whitecastle, La., is a new institution; capital, 15,000.

—The Sherrod Banking Co. has been organized at Nashville, N. C., with $10,00 capital.

Atlanta, Ga.—At a special meeting of the Atlanta Clearing-House Association, Nov. 29, the following resolutions were adopted:

"Believing that the time has come for Southern bankers to successfully demand better banking facilities from the Congress of the United States, we, the bankers of Atlanta, constituting the Atlanta Clearing-House Association, hereby invite the bankers of the South to meet us in convention on December 15, 1897, for the purpose of organizing and perfecting plans for the accomplishment of such currency reformation as will—

1. Take the banking business out of politics.
2. Take the Government out of the banking business.
3. Avoid the expense and danger always attendant upon fiat money issues.
4. To demonstrate to the world that the credit of the United States is as high as that of any other nation.
5. To demonstrate that our measure of value being definitely determined and permanently established hundreds of millions of dollars from abroad and at home will seek investment here.
6. To keep every dollar of our currency good enough to pass current in every land.
7. To increase the amount of gold and silver in circulation among all our people abroad.
8. To give smaller towns the advantage of better banking facilities, so that every honest man will have meted out to him the credit he is entitled to.
9. To give producers of every kind and in every section ample currency at reasonable rates of interest to handle and hold their crops and manufactures until they desire to dispose of them.
10. To give lower and equalized rates of interest throughout the United States.
11. To reduce our eight different kinds of money to only two—specie and bank notes.
12. To protect note holders and depositors under a just and equitable Federal law and supervision.
13. To make all banks equal under any law of the United States providing for banks of issue.
14. To prevent bank panics and currency famines.

Resolved, That it is the sense of this association that each State of the South should join in the agitation for the accomplishment of the above result, that each Southern State send two delegates to Washington to work for this and under the direction of the organization of southern bankers now proposed, with the American Bankers' Association, and such other financial organizations as are seeking a re-adjustment of our national finances and currency reforms."

WESTERN STATES.

Chicago.—Chicago's bank clearings for November reached the aggregate of $458,000,000, the highest in four years and a half. No month has had such an aggregate since May, 1893, when the clearings amounted to $461,000,000.

—George M. Reynolds, formerly President of the Des Moines (Iowa) National Bank, and a highly successful bank manager, has been elected Cashier of the Continental National Bank.

—On Dec. 1 Charles W. Spaulding, ex-President of the Globe Savings Bank, was sentenced to an indeterminate term in the penitentiary. He was charged with embezzling $28,000 of bonds, the property of the University of Illinois, of which he was Treasurer.

Indianapolis, Ind.—The Title Guarantee and Trust Co. has been incorporated with $100,000 capital.

—Reports from the five Savings banks of Indiana show a gain of about $400,000 in deposits, compared with the same date last year. Trust companies also show a gain of more than half a million in deposits. State banks have increased their deposits about $3,000,000.

Missouri State Banks.—On Nov. 16 the Secretary of State made public the result of a tabulation of the returns made by 489 State and eighty-five private banks, showing deposits of $83,000,000, and total resources, $113,570,000.

Cripple Creek's Mining Record.—The gold output of the Cripple Creek (Colo.) district for November was $1,195,830, and for the eleven months ending Dec. 1, $11,331,000. The November records exceeds that of any previous month in the history of the camp.

New Bank in Colorado.—The Colorado State Bank has been incorporated at Grand Junction, Colo., with $30,000 paid-in capital.

Ex-Banker Sentenced.—J. C. Darragh has been convicted on the charge of wrecking the Kansas City (Mo.) Safe Deposit and Savings Bank, and sentenced to two years in the penitentiary.

Findlay, Ohio.—Wm. F. Hosler and others have incorporated the City Banking Company; capital stock, $1,000,000.

A New Bank in Wisconsin.—The Durand Deposit Bank has been organized at Durand, Wis. W. H. Smith will be President.

Gold at Denver.—During the month of November, the receipts of gold at the Denver Mint aggregated $1,237,199, a gain of $908,527 over the corresponding period in 1896. The receipts for the eleven months of the present year were $10,920,844, and for the same period last year $3,891,245. These figures indicate the remarkable increase of $7,029,598 over the receipts of 1896. Mint officials say the receipts for the year will be about $12,000,000.

Going into Liquidation.—The First National Bank, Oklahoma City, Okla. Ter., is going into voluntary liquidation, and will transfer its interest to the State National Bank. It is said that the liquidation is due to the fact that the principal shareholder wishes to invest his capital in other business.

Detroit, Mich.—About January 1, Geo. B. Caldwell, National bank examiner for this district, will succeed John B. Padberg as Cashier of the Union National Bank. Mr. Caldwell has the reputation of being one of the brightest young banking experts in the State, and the directors regard his selection as certain to materially increase the bank's prosperity.

A New Savings Bank.—R. G. Shumway is organizing a Savings bank at Green Bay, Wis., with $100,000 capital, of which $25,000 will be paid in.

Trust Companies Unite.—The Henderson (Ky.) Trust Company has consolidated with the Ohio Valley Banking and Trust Company, and the capital of the latter will be increased to $200,000.

Reported Liquidation.—It is stated that the First National Bank, Appleton, Minn., will go into voluntary liquidation.

Kentucky Bank Organized.—The Morehead (Ky.) Bank recently completed its organization with $15,000 capital, and will begin business January 3.

St. Louis, Mo.—The consolidation of the Citizens' Bank with the American Exchange Bank is announced.

Colorado Banks to Combine.—It is stated that on January 1 the five National banks of Pueblo and South Peublo, Col., will be consolidated into two. In Pueblo the American National, Stockgrowers' National, and Pueblo National will combine, but under what name has not yet been decided. D. R. Greene, of the Pueblo, will probably be the President of the new concern.

In South Peublo the Western National and Central National will consolidate, with B. B. Brown, of the Central, as President.

North Dakota's Bank Deposits Increase.—The report of State Bank Examiner H. A. Langlie, just compiled, shows an increase in deposits of State banks from July 3 to October 5, of 76 per cent., having nearly doubled in sixty days.

Prosperity in Kansas.—The Kansas Board of Agriculture has prepared a final bulletin showing the State's crop yields and farm values and the number and farm values of live stock for the year 1897.

The total yield of the winter wheat is 50,040,374 bushels, worth $33,798,612, or almost 160 per cent. more than last year's crop. The average yield per acre is 15.07 bushels.

The corn crop is 152,140,893 bushels, or 68,278,421 bushels less than in 1896, and its value $7,-077,720 less.

Of oats the yield is 23,431,273 bushels, an increase of 4,116,501 bushels. The yield per acre was 23.82 bushels.

Spring wheat shows a yield of 986,280 bushels, as against 601,523 bushels in 1896. The combined value of winter and spring wheat, corn and oats is $66,768,788, an increase of $15,071,930 over that of last year.

The probable total acreage of winter wheat sown the present autumn is about 85,000 acres, or an increase over the previous year of 16 per cent. In spite of an unusually dry fall in much of the State a large proportion of the wheat is growing and promises well.

The net value of this year's crops over that of 1896 is $20,204,246, and live stock $20,508,985, a total increase of $40,554,231, or somewhat more than 21 per cent.

Des Moines, Iowa.—On Nov. 20 Arthur Reynolds, who had been Cashier of the Des Moines National Bank, was chosen President to succeed his brother, Geo. M. Reynolds, who resigned to accept a position as Cashier of the Continental National Bank, Chicago. The new President has been in the banking business for the past eleven years, and has shared with his brother the credit of largely increasing and strengthening the business of the Des Moines National.

—The Attorney-General in an official opinion says that all banks in the State having less than five stockholders must reorganize at once. It is contended upon the part of the banks that the reorganization is not necessary until their next annual election but the Attorney-General says the law is operative with the new code, October 1.

—The Des Moines Savings Bank has moved from the quarters it has occupied for many years, and is now located in new and well-equipped banking rooms especially arranged for the safe and convenient dispatch of its large business.

—A recent statement of the banks of Iowa shows total deposits of $50,400,000, an increase of more than $5,000,000 over the figures for June 30. The increase is attributed to the large sale of Iowa farm products.

From Poverty to Affluence.—Charles H. Hackley, President of the Hackley National Bank, Muskegon, Mich., who has made gifts to his home city amounting to about $500,000, went to that city when he was fifteen years old, with $7 in his pocket. When he started in business for himself he had a capital of only $500.

Kansas Banks Consolidate.—In addition to a number of other consolidations of banks recently reported the union of the Farmers and Merchants' Bank, of Great Bend, Kan., with the J. V. Brinkman Co. Bank is announced. This will give the latter bank a strong deposit line for a country institution.

PACIFIC SLOPE.

New State Bank.—An organization of the Montesano (Wash.) State Bank has been perfected; capital, $25,000. It will absorb the private banking business of G. W. Hertges.

Change in Receivers.—Eugene T. Wilson, Receiver of the Merchants' National Bank, Helena, Montana, has also been placed in charge of the First National Bank of that city.

Collection of Gold Nuggets.—Conrad Bros., the well-known northern Montana bankers, have purchased the collection of gold nuggets formerly owned by the First National Bank, of Helena. The collection is believed to be the finest owned by private parties in the world. It took the first prize at the Centennial Exposition at Philadelphia in 1876; and the first prize at the World's Columbian Exposition in Chicago in 1893. The intrinsic value of the nuggets was $5,696, and the price paid by Conrad Bros. was an even $6,000. The collection will be temporarily placed at Great Falls, and later on taken to Kalispell, where it will be kept at the Conrad Bank.

Ex-Bank Officers Acquitted.—Ex-President Henry Oliver and ex-Cashier W. G. Peters of the Columbia National Bank, Tacoma, Wash., charged with misappropriating funds of the bank, were acquitted in the United States Court, November 17.

San Francisco.—William Alvord has been elected Vice-President of the Security Savings Bank, in place of Wm. Babcock, resigned.

FAILURES, SUSPENSIONS AND LIQUIDATIONS.

Colorado.—The Delta County Bank, at Delta, assigned to A. R. King, November 15. Its capital was $50,000 and deposits about $52,000.

Georgia.—On November 10 the Bank of Demorest was placed n the hands of R. T. Kenimer, temporary Receiver.

Illinois.—S. B. Whitehead, assignee of the Bank of Durand, filed his report recently. It shows the deposit liabilities to be $27,507. The nominal assets are $26,823, the larger part of which is in notes which it will take some time to convert into money. C. A. Norton, the absconding Cashier, left only $463 in the bank vault when he departed.

Indiana.—On November 14 the Citizens' Bank doing business at Marengo and Leavenworth, and the Bank of English, all under practically the same management, suspended.

Liabilities of the three suspended banks are reported at $100,000 and assets, nominally, $120,000. John H. Weathers, President of the banks, has turned his property over to the assignees, and it is said arrangements have been made for a satisfactory settlement with creditors. Other reports indicate that the liabilities of the owners of the banks will amount to perhaps $500,000.

—The Receiver of the Citizens' Bank, Union City, paid a dividend amounting to $12,000 on November 26.

Kansas.—The assignee of the Lebold & Fisher Banking Co. of Abilene recently made application for discharge. Claims filed amounted to $780,000, and only three per cent. in dividends was realized from the assets, a large amount of which was Western land equities. Total dividends of five and ten per cent. were paid. At the time of the failure, eight years ago, the assets were appraised at $600,000, but on forced sales they brought $16,000. Acres of Western Kansas town lots, appraised at from $50,000 to $100,000, brought thirty cents.

Massachusetts—BOSTON.—James W. Longstreet, a broker, filed a voluntary petition in insolvency, December 3. Assets and liabilities not stated.

Minnesota—ST. PAUL.—The Bank of Minnesota, which suspended nearly a year ago, recently paid a dividend of ten per cent., amounting to upwards of $160,000.

Nebraska.—On November 19 the State Banking Board took charge of the Holstein State Bank. Its capital stock was $10,000 and at the last report deposits were $16,000.

New Hampshire.—On account of a gradual loss of deposits the trustees of the Rochester (N. H.) Savings Bank have voted to place the bank in voluntary liquidation. Its assets are reported to be fully adequate to pay depositors in full, with interest.

—The Milford Savings Bank, which has been out of business for about two years, has paid twenty per cent. to depositors; but the present outlook in the West is such as to lead the directors to believe that the securities held by the bank will be greatly enhanced in value, and that ultimately the bank will be able to pay seventy-five cents, if not one-hundred cents on the dollar.

—Receiver A. G. Whittemore, of the Dover National Bank, in addition to collecting $182,000 for depositors, has just paid a dividend of ten per cent. to the stockholders.

North Carolina.—The Piedmont Bank, at Morganton, closed December 2, owing to inability to make collections.

Rhode Island—PROVIDENCE.—The Mercantile Trust Co. is reported in liquidation. It had considerable investments in Western mortgages and in the stock of banks that have suspended or have gone into liquidation. Total liabilities, $321,400.

With the issue of the fourth and final dividend, November 1, the affairs of the Union Bank were finally brought to a close. At the time of its going into liquidation, in 1889, the contest between the directors over the advisability of the action was bitter. The debts of the bank have been paid in full, the depositors have received their deposits with interest, and the shareholders have been paid $45.59½ per share, which is about $20 more than the shares of the bank were quoted in the market at the time of the dissolution.

Texas.—E. F. Baxter, a private banker at Navasota, assigned to W. B. Templeman, November 22. Liabilities are about $50,000, all but $5,000 of which is to depositors.

Wisconsin.—The Bank of Antigo was closed by the directors, November 18, because of irregularities in the books found by the bank examiner.

NEW BANKS, CHANGES IN OFFICERS, ETC.

NEW NATIONAL BANKS.

The Comptroller of the Currency furnishes the following statement of New National banks organized since our last report. Names of officers and other particulars regarding these New National banks will be found under the different State headings.

5096—San Francisco National Bank, San Francisco, California. Capital, $500,000.
5097—First National Bank, Seguin, Texas. Capital, $50,000.
5098—Citizens' National Bank, East Liverpool, Ohio. Capital, $100,000.

The following notices of intention to organize National banks have been approved by the Comptroller of the Currency since last advice.

Berlin National Bank, Berlin, Pa.; by Samuel Philson, *et al.*
Citizens' National Bank, Myersdale, Pa.; by S. B. Philson, *et al.*
National Exchange Bank, Clayton, N. Y.; by R. P. Grant, *et al.*
Exchange National Bank, Myersdale, Pa.; by A. F. John, *et al.*
Franklin National Bank, Franklin, Ohio; by N. J. Catrow, *et al.*
National Bank of Kirksville, Kirksville, Mo.; by F. B. Heiny, *et al.*
Coshocton National Bank, Coshocton, Ohio; by Benjamin Franklin, *et al.*

NEW BANKS, BANKERS, ETC.

ALABAMA.

GREENSBORO—M. Jones & Son, Bankers (successors to S. W. Chadwick).

CALIFORNIA.

SAN FRANCISCO — San Francisco National Bank (successor the Sather Banking Co.); capital, $500,000; Pres., James Knox Wilson; Cas., Lewis Isaac Cowgill.——Nevada National Bank (successor to Nevada Bank); capital, $3,000,000.

COLORADO.

GRAND JUNCTION — Colorado State Bank (successor to First National Bank); capital, $30,000; Pres., T. M. Jones; Cas., J. F. McFarland.

GEORGIA.

BAINBRIDGE — Merchants and Planters' Bank; capital, $100,000; Pres., J. D. Harrell; Vice-Pres., A. L. Hawes.

McRAE—Merchants' Bank; capital, $10,000; Pres., Tom Eason; Cas., L. L. Campbell.

ROCHELLE—Rochelle Banking Co.; Pres., R. L. Brush; Cas., E. Golwell.

SYLVESTER — Bank of Sylvester; capital, $25,000; Pres., W. H. McPhaul; Vice-Pres., T. C. Jeffords; Cas., J. S. Westberry.

ILLINOIS.

MACON — Farmers and Merchants' Bank (successor to J. L. Hight & Son); Pres., R. W. Hight; Cas., E. L. Hight; Asst. Cas., J. L. Hight.

INDIANA.

BRISTOL -- Thomas Hilbish, (exchange and collections).

ENGLISH—Crawford County Bank; capital, $25,000.

INDIANAPOLIS—Title Guarantee & Trust Co.; capital stock, $100,000.

IOWA.

AURORA—Farmers and Merchants' Savings Bank; capital, $10,000; Pres., S. T. Spangler; Vice-Pres., J. H. Gundlach; Cas., Elmer Brintnall.

DANA—Bank of Dana; Pres., Clyde E. Brenton; Cas., J. A. Rowles.

OTTOSEN—Farmers' Bank.

OAKVILLE—Oakville State Savings Bank; Pres., C. A. Brown; Vice-Pres., Thomas Flitch; Cas., M. E. Bridgford.

POPEJOY—Bank of Popejoy; Pres., Frances S. Popejoy; Cas., J. H. Popejoy.

VAN HORNE—Farmers' Savings Bank; capital, $12,000; Pres., G. W. Welsh; Cas., C. H. Hartung; Asst. Cas., Louis Fry.

KANSAS.

ALMA—Alma National Bank (successor to Alma State Bank); capital, $50,000; Pres., Fred Lutz; Cashier, L. Palenske.

KENTUCKY.

FAIRFIELD—People's Bank.

MOREHEAD—Bank of Morehead; capital, $15,000; Pres., S. M. Bradley; Vice-Pres., M. M. Redwine; Cas., J. S. Head.

LOUISIANA.

COUSHATTA—Bank of Coushatta; Pres., Sam Lisso; Vice-Pres., L. E. Scheen; Cas., M. Ricks, Jr.

PATTERSON—Bank of Patterson; capital, $18,000.

WHITECASTLE—Bank of Whitecastle; capital, $15,000; Pres., G. M. Bowie; Vice-Pres., W. G. Owen; Cas., T. J. Clay.

MICHIGAN.

LOWELL—City Bank (Whitney, Watts & Co.); Cas., W. A. Watts.

MINNESOTA.

MORTON—Security Bank; capital, $10,000; Pres., H. M. Noack; Cas., W. W. McGowan.

MISSISSIPPI.

IUKA — Tishomingo Savings Institution (branch).

MISSOURI.

HANNIBAL—First International Bank (successor to First National Bank); Pres., J. B. Brown; Vice-Pres., H. C. Whaley; Cas., W. F. Chamberlain.

KIDDER—Kidder Bank; capital, $10,000.

NEBRASKA.

MILLIGAN—Farmers' State Bank; capital, $6,000; Pres., A. V. Kouba; Vice-Pres., F. W. Sloan; Cas., C. J. Cerveny.

NEW YORK.

BUFFALO—Meaney & Jones.

CLAYTON—National Exchange Bank (successor to Exchange Bank); capital, $50,000; Pres., Jacob Putnam; Cas., R. P. Grant.

NEW YORK CITY—Lindsley & Yates (succesors to Gelston & Bussing).——Howard L. White Company; capital stock, $10,000.——May, McElwee & Paine.——Produce Exchange Trust Co.; capital stock, $500,000.——W. R. Houghtaling & Co.——Astor National Bank; organizing; capital, $300,000.

STOCKTON—Lavern W. Lazell & Co.; Cas., Lavern W. Lazell.

SYRACUSE—American Exchange Bank; capital, $200,000; Pres. Manning C. Palmer; Cas., Graham K. Betts.

NORTH CAROLINA.

ENFIELD—Bank of Enfield; Pres., Geo. B. Curtis; Cas., W. H. McDonald.

NASHVILLE—Sherrod Banking Co.; capital, $10,000.

NEWBERNE—Mutual Aid Banking Co.; capital $10,000; Pres., C. C. Roach; Vice-Pres., Wm. L. Lassiter; Cas., J. H. Fisher.

NORTH DAKOTA.

HARVEY — German State Bank; capital, $5,000; Pres., T. L. Beiseker; Cas., A. N. Beiseker.

WALHALLA—Citizens' Bank; capital, $5,000; Pres., Wm. Herriot; Cas., D. E. Ferguson.

OHIO.

ARCHBOLD—Farmers & Merchants' Bank; Pres., J. O. Swisher; Cas., Jesse Rupp; Asst. Cas., I. W. Gotshall.

BOTKINS—Shelby County Bank; capital, $25,000; Pres., Phil. Sheets, sr.; Cas., Phil. Sheets, Jr.

EAST LIVERPOOL—Citizens' National Bank; capital $100,000; Pres., Robert Hall; Cas., H. H. Blythe.

FINDLAY—City Banking Co.

MINERVA—Farmers and Merchants' Bank.

OKLAHOMA.

MANGUM—Cattlemen's Exchange Bank; capital, $5,000; Pres., G. W. Body; Vice-Pres., J. C. Gilliland; Cas., N. B. Claunch.

PONCA CITY—Citizens' Bank (successor to Bank of Ponca City); capital, $10,000; Pres., A. B. McCandless; Cas., J. B. Given; Asst. Cas., G. T. McCandless.

PENNSYLVANIA.

CHARLEROI—Bank of Charleroi; capital, $75,000.

TEXAS.

LA PORTE—Bank of La Porte (Kuehner, Mansfield & Neese); capital, $10,000; Pres., Robert D. Kuehner; Cas., W. F. Neese.

YORKTOWN—C. Eckhardt & Sons, Bankers.

UTAH.

SALT LAKE CITY—Pacific Trust Co.; Pres., E. H. Aires; Vice-Pres., DeWitt B. Lowes; Treas., D. H. Peery.

VERMONT.

SWANTON—Swanton Savings Bank and Trust Co.; capital, $25,000; Pres., A. W. Woodworth; Vice-Pres., Geo. W. Crampton; Cas., E. D. Barnes.

WASHINGTON.

MONTESANO—Montesano State Bank (successor to G. W. Hertges); capital, $25,000; Cas., William H. France.

WEST VIRGINIA.

GLENVILLE—Gilmer County Bank; capital, $25,000.

WISCONSIN.

DURAND—Durand Deposit Bank; capital, $5,000; Pres., Wm. H. Smith; Cas., H. L. Smith; Asst. Cas., A. V. Hammond.

EDGERTON—Tobacco Exchange Bank; capital, $35,000.

MELLEN—Bank of Mellen; capital, $2,000

WATERLOO—Farmers and Merchants' Bank; capital, $2,000; Pres., A. J. Roach; Vice-Pres., G. K. Seeber; Cas. F. A. Seeber; Asst. Cas., Geo. Q. Ames.

WYOMING.

THERMOPOLIS—E. Amoretti & Co.; capital, $10,000.

CANADA.

ASSINABOIA.

INDIAN HEAD—Union Bank of Canada; T. N. Christie, Mgr.

ONTARIO.

TORONTO—Provincial Trust Co.

QUEBEC.

SHERBROOKE—Frank Thompson & Co.; capital, $10,000.

CHANGES IN OFFICERS, CAPITAL, ETC.

ALABAMA.

GREENSBORO—S. W. Chadwick, Banker, deceased: succeeded by M. Jones & Son.

CALIFORNIA.

LOS GATOS—Commercial Bank; W. Darneal, Asst. Cas.

SAN FRANCISCO—Security Savings Bank; William Alvord, Vice-Pres. in place of William Babcock, resigned.——California Safe Deposit and Trust Co.; Joseph M. Shotwell, Vice-Pres., deceased.

SAN LUIS OBISPO—Commercial Bank; L. M. Kaiser, Vice-Pres., resigned.

COLORADO.

PUEBLO—Central National Bank; Hiram L. Holden, Cas., deceased.

CONNECTICUT.

BRIDGEPORT—City National Bank; Fred. C. Burroughs, Cas. in place of Frederick J. Banks.

DISTRICT OF COLUMBIA.

WASHINGTON—Second National Bank; M. W. Beveridge, Vice-Pres., deceased; also director American Security and Trust Co.

GEORGIA.

AUGUSTA—Georgia Railroad Bank; Jacob Phinizy, Pres. in place of Chas. H. Phinizy.

COLUMBUS—National Bank of Columbus; William Slade, Cas., signature changed to William B. Slade.

DOUGLASVILLE—Douglasville Banking Co.; J. T. Duncan, Pres. in place of Wm. S. Witham, resigned.

MACON—Dime Savings Bank; succeeded by Commercial and Savings Bank.

IDAHO.

BOISE—Capital State Bank; James H. Bush, Vice-Pres., deceased.

ILLINOIS.

CHICAGO—Commercial National Bank; David Vernon, Second Vice-Pres. in place of John B. Meyer, resigned; Joseph T. Talbert, Cas. in place of David Vernon; O. W. Potter, S. W. Rawson and H. A. Ware, directors, resigned.——Continental Nat. Bank; Geo. M. Reynolds, Cas.

OTTAWA—F. A. Sherwood, Banker, deceased.

SHAWNEETOWN—First Nat. Bank; Thomas S. Ridgway, Pres., deceased.

INDIANA.

FORTVILLE—Fortville Bank; I. W. Denney, Pres. in place of Alfred Denney, deceased.

KOKOMO—Howard National Bank; corporate existence extended until November 28, 1917.

NEW ALBANY—Second National Bank; G. W. Harrison, Cas. in place of Edward B. Lapping.

RICHMOND—Second National Bank; William G. Scott, Pres., deceased.

UNION CITY—Commercial National Bank; C. S. Hook, Vice-Pres.; E. A. Frank, Asst. Cas.

IOWA.

DES MOINES—Des Moines National Bank; Arthur Reynolds, Pres. in place of Geo. M. Reynolds, resigned.

DOON—German Savings Bank; C. S. Bennett, Cas. in place C. P. Scott.

EXIRA—Stuart Bank; N. P. Christensen, Cas.

HAMPTON—D. B. Parks, Pres. in place of T. E. B. Hudson.

INDIANOLA — First National Bank; J. G. Sandy, Pres., deceased.

ODEBOLT—First National Bank; no Vice-Pres. in place of W. J. Summerwill, deceased.

SHENANDOAH—Shenandoah National Bank; Dell Van Buskirk, Asst. Cas., deceased.

WAUKON—Citizens' State Bank; A. Deremore, Pres., deceased.

WEBSTER CITY—Farmers' National Bank; Geo. Shipp, Vice-Pres., deceased.

KANSAS.

GREAT BEND—J. V. Brinkman Co. Bank and Farmers and Merchants' Bank; reported consolidated under former title.

OBERLIN—Oberlin Nat'l Bank; J. J. Durkee, Pres. in place of C. S. Morey.

PALMER—Bank of Palmer; Harry O'Brien, Cas. in place of J. B. Lower, resigned.

KENTUCKY.

ASHLAND—Second National Bank; Charles Kitchen, Pres. in place of R. D. Davis; no Vice-Pres. in place of Charles Kitchen.

HENDERSON—Ohio Valley Banking and Trust Co. and Henderson Trust Co.; consolidated under former title; capital increased to $200,000.

RICHMOND—Second National Bank; corporate existence expired by limitation Nov. 3, 1897; succeeded by State Bank and Trust Co.; J. Stone Walker, Pres.; R. E. Turley, Cas.; Jno. B. Chenault, Asst. Cas.

MAINE.

CALAIS — Calais National Bank; Chas. H. Newton, Pres., deceased.

MARYLAND.

BALTIMORE—Commercial and Farmers' National Bank; Joseph H. Rieman, director, deceased.——National Mechanics' Bank; Geo. J. Appold, director, deceased.

CATONSVILLE—First National Bank; V. G. Bloede and J. F. Sippel, Vice-Presidents.

MASSACHUSETTS.

BOSTON—Lincoln National Bank; Benjamin B. Perkins elected director.——Atlantic National Bank; Wm. B. Denison, Cas. in place of James T. Drown, deceased; no Asst. Cas. in place of Wm. B. Denison.

MILLBURY—Millbury National Bank; H. T. Maxwell, Cas. in place of A. Armsby.

PLYMOUTH—Plymouth Savings Bank; Jas.

D. Thurber, Treas. in place of John J. Russell, deceased.

MICHIGAN.

DETROIT—Union National Bank; Geo. B. Caldwell, Cas. in place of John B. Padberg.

DURAND—Shiawassee County Bank; W. H. Clark, Pres., deceased.

MINNESOTA.

RENVILLE—Renville State Bank; M. J. Dowling, Pres. in place of John O'Connor.

STILLWATER—First National Bank; R. H. Bronson, Second Vice-Pres.; R. S. Davis, Cas. in Place of R. H. Bronson.——Lumbermen's Nat'l Bank; R. H. Bronson, Second Vice-Pres.; A. J. Lehmicke, Cas. in place of R. S. Davis; no Asst. Cas. in place of A. J. Lehmicke.

MISSOURI.

BARNARD—Barnard State Bank; capital increased to $20,000.

IRONTON—Iron County Bank; Wm. R. Edgar, Pres.; Mann Ringo, Cas.

LINCOLN—Farmers' Bank; certificate of increase of capital stock from $10,000 to $20,000 filed.

ST. LOUIS—American Exchange Bank and Citizens' Bank; reported consolidated under former title.

NEBRASKA.

AURORA—First National Bank; G. W. Curry, Pres. in place of Wm. Glover.

LEXINGTON—Dawson County National Bank, Frank L. Fox, Asst. Cas.

NEW HAMPSHIRE.

MANCHESTER—Second National Bank; Aretas Blood, Pres., deceased.

WOODSVILLE — Woodsville National Bank; W. H. Gilchrist, Vice-Pres.

NEW JERSEY.

NEWARK—Newark City National Bank; Edward L. Dobbins, Vice-Pres. in place of Albert Baldwin, deceased; Albert H. Baldwin, Asst. Cas.

WOODSTOWN—First National Bank; no Pres. in place of James Benezet, deceased.

NEW YORK.

BROOKLYN—Bedford Bank; G. W. Seamans elected director.

BUFFALO — People's Bank; Charles T. Lathrop, Asst. Cas., resigned.——Buffalo Commercial Bank; Edward W. Eames, Pres. in place of F. L. Danforth, deceased; Henry H. Parsons, Vice-Pres.

NEW YORK CITY—Douglas & Jones; Warren T. James and Henry A. Seymour retired from firm.——Riverside Bank; Alex. Brown, Jr., deceased.——Nassau Bank; Edgar S. Ryder elected director.——Chatham National Bank; Alfred F. Cross, director, deceased.——J. W. Davis & Co.; J. Edward Davis admitted to firm December 1.——Phenix National Bank; Henry R. Kunhardt elected director. —— Knickerbocker Trust Co.; Henry C. Berlin elected director.——Second National Bank and Mercantile Safe Deposit Co.; Henry A. Hurlbut, director, deceased. ——East River National Bank; William Phelps, director, deceased.

ONEIDA—National State Bank; Stephen H. Farnum, Pres., deceased.

SCHENECTADY—Union National Bank; Clark Witbeck, Vice-Pres. in place of Joseph W. Smitley.

TROY—Central National Bank; W. H. Van Schoenhoven, Vice-Pres. in place of Justus Miller, deceased.

OHIO.

CINCINNATI—Citizens' Natl. Bank; William Pope Anderson, director, deceased.

COLUMBUS—Merchants and Manufacturers' National Bank, W. H. Beebe, Asst. Cas.

EAST LIVERPOOL—First National Bank; T. H. Fisher, Asst. Cas. in place of H. H. Blythe.

MARYSVILLE—Farmers' Bank; G. W. Court no longer Asst. Cas.

SMITHFIELD—First National Bank; E. C. Vermillion, Cas. in place of Wm. Vermillion, deceased.

OKLAHOMA.

EL RENO—First National Bank; B. B. Burrell, Cas. in place of D. Mason; no Asst. Cas. in place of B. B. Burrell.

SHAWNEE - First National Bank; J. W. McLoud, Vice-Pres.; C. M. Cade, Asst. Cas.

OREGON.

PORTLAND—Merchants' National Bank; R. L. Durham, Vice-Pres. in place of W. C. Johnson.

PENNSYLVANIA.

BELLEFONTE—Jackson, Hastings & Co.; John P. Harris, Cas. in place of Geo. W. Jackson, deceased.

EVANS CITY—Citizens' Bank; John Rohner, Cas., deceased.

LEBANON—People's National Bank; Ephraim M. Woomer, Cas., deceased——Valley Nat. Bank; Daniel G. Miller, Acting Cas. in place of Jacob B. Karch, deceased.

PHILADELPHIA—National Bank of the Republic; consolidated with Fourth Street National Bank under latter title.

PITTSBURG—Real Estate Savings Bank; B. F. Jones, Jr., A. H. Childs and Geo. C. Burgwin elected directors——Bank of Pittsburg; Wm. Roseburg, Vice-Pres.; Wm. F. Bickel, Cas.; Jno. A. Harper, Asst. Cas., resigned.

RHODE ISLAND.

WESTERLY — Washington National Bank; Nathan F. Dixon, Pres., deceased.

SOUTH CAROLINA.

COLUMBIA—Loan & Exchange Bank and Canal Bank; reported consolidated.

TEXAS.

BROWNWOOD—Coggin Bros. & Ford; S. R. Coggin, Pres.; Henry Ford, Cas.; C. F. Crumb, Asst. Cas.

UVALDE—First National Bank; succeeded by Collier & Co.; capital, $10,000.

VIRGINIA.

CHINCOTEAGUE ISLAND—Boatmen's Bank of Chincoteague; William Sidney Wilson, Pres., deceased.

WASHINGTON.

MOUNT VERNON—First National Bank; W. S. Packard, Asst. Cas.

NORTH YAKIMA—First National Bank; A. B. Cline, Asst. Cas. in place of Henry Teal. ——Miller & Hough; succeeded by Geo. S. Hough.

WEST VIRGINIA.

TERRA ALTA—Terra Alta Bank; O. C. Crane, Cas. in place of L. P. White.

CANADA.

MANITOBA.

MIAMI—Blanchard & Co.; succeeded by Robbins & Gill.

PORTAGE LA PRAIRIE—Alloway & Champion; Percy H. Snyder, Mgr., deceased.

ONTARIO.

GUELPH—Bank of Montreal; H. Lockwood, Mgr.

PETERBORO—Bank of Montreal; H.G. Parker, Mgr.

NOVA SCOTIA.

AMHERST—Bank of Montreal; R. W. Travers, Mgr. in place of H. Lockwood.

BANKS REPORTED CLOSED OR IN LIQUIDATION.

COLORADO

DELTA—Delta County Bank; assigned to A. R. King, November 15.

GEORGIA.

DEMOREST—Bank of Demorest; in hands of R. T. Kenimer, temporary Receiver.

INDIANA.

ENGLISH—Bank of English.

GREENSBURGH—First National Bank; in voluntary liquidation by resolution of Oct. 26.

LEAVENWORTH—Citizens' Bank.

MARENGO—Citizens' Branch Bank.

KANSAS.

CANEY—Adams & Cadwell; reported going out of business.

MASSACHUSETTS.

BOSTON—James W. Longstreet; insolvent.

MINNESOTA.

TAYLOR'S FALLS—Bank of Taylor's Falls.

MONTANA.

HELENA—First National Bank; Eugene T. Wilson, Receiver in place of J. Samuel Brown, resigned.

NEBRASKA.

HOLSTEIN—State Bank of Holstein.

TOBIAS—First National Bank; in voluntary liquidation November 1.

NEW HAMPSHIRE.

ROCHESTER—Rochester Savings Bank; voted to go in voluntary liquidation.

NEW YORK.

BUFFALO—Farmers and Mechanics' Bank; reported winding up its affairs.

NORTH CAROLINA.

MORGANTON—Piedmont Bank.

OKLAHOMA.

OKLAHOMA CITY—First National Bank; in voluntary liquidation.

PENNSYLVANIA.

PITTSBURG—Bank of Allegheny County.

SOUTH DAKOTA.

DAVIS—Bank of Davis.

DEADWOOD—Lawrence Co. Trust Co.

TEXAS.

FORT WORTH—National Live Stock Bank; in voluntary liquidation November 1.

NAVASOTA—E. F. Baxter; assigned to Ward Templeton.

WISCONSIN.

ANTIGO—Bank of Antigo.

CANADA.

ONTARIO.

GORRIE—Gillies & Smith.

New Counterfeit $10 U. S. Silver Certificate.—Series 1891; check letter D; plate number 33; J. Fount Tillman, Register; D. N. Morgan, Treasurer; small scalloped seal; portrait of Hendricks; No. E17237268. This is a photographic production, of fair workmanship, printed on two pieces of paper pasted together. No attempt has been made to color the back of note, which is the shade of brown peculiar to photographs, instead of green. The seal has been colored a bright pink. The face of the particular note under examination is badly printed, the lathe work being blurred and indistinct. No attempt has been made to imitate the silk fibre of the genuine paper.

New Counterfeit $5 National Bank Note.—On the First National Bank of Joplin, Mo.; series of 1882, check letter C; bank number 3837; charter number 3841; W. S. Rosencrans, Register; James W. Hyatt, Treasurer; portrait of Garfield. It is a photographic production, printed on two pieces of paper pasted together, and the silk fibre in the genuine paper is imitated by pen and ink marks.

NOTICES OF NEW BOOKS.

[All books mentioned in the following notices will be supplied at the publishers' lowest rates on application to BRADFORD RHODES & CO., 78 William Street, New York.]

CORPORATION FINANCE: A Study of the Principles and Methods of the Management of the Finances of Corporations in the United States; with Special Reference to the Valuation of Corporation Securities. By THOMAS L. GREENE, Auditor Manhattan Trust Co. New York: G. P. Putnam's Sons.

Mr. Greene is recognized as an expert in all matters pertaining to corporation finances, and the volume he has prepared on this important subject not only sustains his reputation in this respect but also contributes a large fund of most valuable information on the topics considered, which include: Bonds and Stocks; Forms of Corporate Enterprise; Railway Bonds; Subsidary Companies and Their Securities; Corporation Accounting; the Examination of Railway Reports; Public Policy towards Corporation Profits; Corporation Reorganizations and Receiverships.

Mr. Greene is Auditor of the Manhattan Trust Company, of New York city, and is a practical financier of great ability. His analysis of the principles applicable to railway and other securities presents a clear statement of the rules to be used in determining the value of such investments.

The chapter on Public Policy toward Corporation Profits is a sound consideration of a subject about which there is a large amount of public misapprehension.

To the banker, investor and economic student this book will prove a mine of correct and scientific information upon subjects heretofore not well understood.

A CONTRIBUTION TO THE BIBLIOGRAPHY OF THE BANK OF ENGLAND. By T. A. STEVENS. London: Effingham Wilson.

There are few subjects of greater interest to the student of finance than the Bank of England. For this reason a list of books pertaining to the Bank is of great value. The author has made a very extensive compilation, and has included in the volume much of historical interest relating to the Bank, the National debt, etc.

MANUAL OF THE SELF-PROVING ACCOUNTING SYSTEM, Including illustrations of various books and forms in facsimile, with special application made to the Installment Business. For Business Men, Accountants and Auditors. By A. O. KITTREDGE, F.I.A., and J. F. Brown, Merchant. 328 pages, large octavo, four facsimile insets and numerous other illustrations. Bound in cloth, with side and back titles. Published by the Self-Proving Account-Book Company. Price, $5. For sale by Bradford Rhodes & Co.

Bankers and financial men generally are interested in every improvement made in the accountant's art. Whatever tends toward better and more complete records of business transactions, and whatever facilitates the proper arrangement of those records in balance sheet form, renders investment more secure and promotes commercial development. The Self-Proving Accounting System introduces what to most business men and to accountants as well is a novelty. It converts the general ledger of the business into a "going" balance sheet. It affords the business man the opportunity of having his financial condition, including both a statement of resources and liabilities and an indication of profits and losses, constantly before him.

The methods laid down in this book are as applicable to banking as they are to merchandising, and can be employed as readily in the largest operations as in those of moderate dimensions. The present work exemplifies the application of the methods described to a merchandising business, with sales upon the installment plan, as well also as for cash and upon open account.

The authors disclaim any new discovery in accounting principles, but clearly set forth the new applications of old principles which they have made, with the results above described. Progressive business men in every field of activity will welcome an accounting system which enforces frequent statements in balance-sheet form, and will be especially pleased with one which makes possible a perpetual balance sheet. The book is profusely illustrated with forms and rulings, including a number of reduced facsimiles of account books with entries bound in.

MONETARY PROBLEMS AND REFORMS. By CHARLES H. SWAN, Jr. New York: G. P. Putnam's Sons.

After discussing the origin of real and representative money, the author devotes several chapters to a consideration of fiat money and legal-tender laws. The author accords with many of the most scientific currency experts in declaring that there is no necessity for legal-tender laws. It is contended, for instance, that if a man makes a contract to deliver so many pounds of butter at a specified time, no legal-tender law is needed to define what that means at the maturity of the contract.

Mr. Swan does not deny that the Government has a right to define the monetary unit, but asserts that no change in the unit can be justly made applicable to existing contracts.

The general withdrawal of all the silver tokens is favored and the substitution of fractional notes, redeemable in gold, for the smaller coins. If this were done, the author believes that the free coinage of silver might be permitted, but not at any legal-tender ratio. This would be using the silver coins at their actual bullion value only. An interesting suggestion is made for providing a gold coin, of uniform size and weight, to be adopted by all the commercial nations.

SOUND MONEY MONOGRAPHS. By WM. C. CORNWELL. New York: G. P. Putnam's Sons.

This volume is composed of a series of addresses made by Mr. Cornwell before different commercial and financial bodies from 1892 to 1897. The topics treated are Thirty Years of War Currency; Greenbacks; Currency Reform; Should the Government Retire from Banking; A Way Out; the Gold Standard; International Bimetallism Neither Practicable Nor Desirable; Bankers and Legislation; the State Bank Question; the Money Power; Abraham Lincoln.

Some of these addresses were printed in the MAGAZINE at the time of their delivery. They contain a clear statement of the essential principles of sound currency on the lines long advocated by Mr. Cornwell; viz., retirement of the legal tenders, the creation of a bank currency based on commercial assets, and opposition to the free coinage of silver, national or international.

New Counterfeit $10 National Bank Note.—On the Los Angeles National Bank, of Los Angeles, California; series 1882; check letter A.; B. K. Bruce, Register; A. U. Wyman, Treasurer; charter number 2938: bank number 6598; Treasury number N49244. This is a photographic production, printed on two pieces of paper, pasted together, containing no silk or imitation of it. The panel on back of note, containing the charter number, has been colored green with brush. The entire back has a very deceptive appearance. On face of note, the charter number, Treasury number and seal have been tinted red, but the original color of the photograph can be discerned beneath. The note, as a whole, has a very good appearance.

MONEY, TRADE AND INVESTMENTS.

A REVIEW OF THE FINANCIAL SITUATION.

NEW YORK, December 4, 1897.

WHAT WILL CONGRESS DO WITH CURRENCY QUESTION, is the thought now uppermost in the minds of all financial men. The interest taken in the question is proof positive that no dalliance with the matter will allay distrust or put to sleep the fears that once threatened the country with universal panic. The one fact that makes immediate action by Congress the easiest also makes it least probable. Everything is sailing along so smoothly, money is so cheap and the supply so plentiful, that we are able to extend accommodation abroad, and foreign exchange is bought as an investment and held in preference to taking money from our European buyers. The supply of money in the country and in circulation is nearly as great as ever before known; the deposits and loans of the New York banks are in excess of the highest records ever made before, and the Government has more gold in the Treasury owned outright than at any previous time in about seven years. The conditions therefore are favorable to making the necessary changes in the currency system that will put it on an enduring basis.

Congress, however, is apt to exert itself only under pressure, and the fact that there seems to be money enough for everybody, it is feared, will incline the Nation's lawmakers to close their eyes to the necessity of making that money also good enough.

Reports are current that the Senate will obstruct any financial legislation of a radical character, but the published views of the Administration indicate a purpose on its part to press the currency question towards a final settlement.

The early assembling of Congress has had its usual effect to check speculation, and the stock market has again got into the waiting mood, which it is rarely able to shake off until the accounts of the old year have been closed, and the holiday season has come to an end. Prices of securities have taken a downward turn, but in many cases are pretty near the best figures for the year.

Wheat went above a dollar again, but cotton on the other hand has been selling at the lowest prices recorded for that staple. With the raw material cotton prints have also been selling at bottom figures and the situation in that industry has not been encouraging. On the other hand iron production is increasing rapidly and the country is now producing almost as much pig iron as at any time in its history.

The earnings of the railroads generally show increases of from ten to twenty per cent. over last year's figures and indicate a general improvement in the business situation throughout the country, a fact further attested by the plentiful supply of funds in the West and South and the trustworthy reports of the large payments on account of farm mortgage debts in States which not long ago were apparently on the verge of ruin.

While, however, the trade conditions of the country are in the main satisfactory there are causes which affect the credit of the Government and of financial enterprises unfavorably, and for this reason the course which Congress will pursue is now the only important matter discussed in financial circles.

A gentleman who recently returned from Europe was quoted in a newspaper interview that European investors would not touch American securities; they would prefer to invest in New Zealand enterprises. Their lack of confidence in our properties, he said, would continue until we had settled the currency question. Besides this question is the one affecting the solvency of the Treasury in view of its deficient revenues although in this latter question we are not without hope.

The finances of the Government have certainly become a prominent factor in all discussions of the business situation, this not solely because of the pending session of Congress, but because of the continued deficiency in current revenues. Treasury deficits, however, are not a new or recent condition ; for six years past the rule has been that the month's revenues have been less than the expenditures. In that time the deficit has aggregated about $167,000,000, while in only eleven months since July 1, 1893, a total of 51 months, have receipts equalled disbursements. Since July 1 last the deficit has been nearly $46,000,000, and were the conditions to remain the same, the showing at the end of the fiscal year, next July, would be very unsatisfactory indeed. The Secretary of the Treasury estimates the deficit for the current fiscal year at $28,000,000.

The Secretary seems to be justified in his opinion by such facts as are accessible. The Dingley tariff law has not yet proved to be a revenue-getter, but the fact should not be overlooked that for four months pending the enactment of the law large importations were made, resulting in greatly increased revenues. In those four months from March 1 to June 30 there was a surplus of $29,000,000, and this was secured not only by anticipation of imports which would otherwise have been made later in the year, but at the expense of a larger surplus possible under the higher duties of the existing law. For the nine months from March 1 to November 30 the revenues were only $17,000,000 less than the expenditures, or at the rate of about $23,000,000 per annum. With our imports once more on a normal basis, as they are bound to be in the near future, it is possible that the results for the fiscal year ending June 30, 1898, will be as favorable as the figures just presented suggest.

In our import trade sugar occupies a very important place, and the decline in the revenues of the Government has unquestionably been largely influenced by the very great falling off in imports of sugar since the Dingley tariff went into effect. That this is merely a temporary condition reqnires no discussion. This country consumes annually of imported sugar about 4,000,000,000 pounds. In the calendar year 1896 we imported 4,108,000,000, pounds; in 1895, 3,580,000,000 pounds, and in 1894, 4,093,000,000 pounds.

In the four months, March 1 to June 30, we imported about 70 per cent. of an entire year's aggregate, or 2,757,000,000 pounds; in the following four months, July 1 to October 31, we imported only 582,000,000 pounds. Notwithstanding the enormous imports in the first-mentioned period, therefore, the total for the eight months is only 3,339,000,000 pounds, leaving about 700,000,000 pounds for the remaining four months of the twelve-month period. There has been a striking parallel in our experience this year with that of that other tariff year, 1894, as the following comparison of sugar importations will show :

1894.	*Imports (lbs.)*
March	691,000,000
April	477,000,000
May	441,000,000
June	521,000,000
July	766,000,000
Total	2,896,000,000
August to Oct., three months	330,000,000
Total, eight months	3,236,000,000
November to Feb., four months	778,000,000
Total, twelve months	4,004,000,000

1897.	*Imports (lbs.)*
March	485,000,000
April	778,000,000
May	791,000,000
June	706,000,000
Total	2,757,000,000
July to October, four months	582,000,000
Total, eight months	3,339,000,000

In 1894 the heavy imports of sugar continued from March to July, one month longer than in 1897, and the total movement exceeded by about 140,000,000 pounds that of this year. For three months, August to October, 1896, the monthly imports averaged only about 110,000,000 pounds, while in 1897, from July to October, they averaged about 145,000,000 pounds per month. The total movement from March 1 to October 31, eight months, this year was only 113,000,000 pounds greater than in the corresponding period in 1894. Now from November 1, 1894, to February 28, 1895, we imported 778,000,000 pounds of sugar, and that we shall import as much between now and March 1, 1898, admits of scarcely a doubt.

There has already been a considerable increase in sugar imports; the movement, which in August and September was only 110,000,000 pounds for each month, having grown to 183,000,000 pounds in October. If past experience counts for anything sugar imports by the spring will aggregate 100,00,000 pounds a week.

The decline in the general import movement of merchandise and the changes in the custom receipts of the Government since January 1 this year are exceptional in character, as the following statement by months will show:

MONTH.	IMPORTS.			*Customs receipts.*
	Free goods.	*Dutiable goods.*	*Totals.*	
January	$27,299,139	$24,032,833	$51,331,972	$11,276,874
February	32,764,969	26,470,891	59,235,860	11,587,260
March	41,114,784	35,230,162	76,344,946	22,833,856
April	50,889,374	50,428,418	101,317,792	18,216,434
May	36,703 066	42,655,485	79,358,551	16,885,012
June	41,159,079	44,010,735	85,169,814	21,560,152
July	29,281,939	24,508,468	53,790,407	16,966,802
August	21,188,845	18,659,967	39,848,812	6,967,708
September	22,062,108	20,345,294	42,407,402	7,943,100
October	24,334,333	25,635,480	49,969,813	9,718,494
November	....	....	....	9,830,025

Since August the imports have been increasing and the customs receipts have increased more than 40 per cent. In 1895 and 1896 the revenue from tariff duties ran from about $11,000,000 to $14,000,000 per month, but imports were from 20 to 40 per cent. heavier than now. That rate of increase applied to custom revenues would bring them up to their former totals.

THE NATIONAL BANKS.—The returns of the National banks to the Comptroller of the Currency showing their condition on October 5, 1897, invite attention to the situation which confronts that system of banking. As far as number of banks and capital are concerned the system has stood still for seven years, the number of banks now in existence being 3,610, or but little more than at the beginning of 1891, while the capital is less than $631,500,000, the smallest since February, 1890. The number of National banks has decreased 220 since May 4, 1893, and the aggregate capital has been reduced $58,000,000 since December 9, 1892. In the five years prior to May, 1893, the number of banks increased 732 and the capital $103,000,000. The circulation of the banks has been steadily declining since December, 1896, when the notes outstanding of banks in active operation aggregated nearly $210,700,000 and now are less than $199,000,000. In December, 1873, the highest amount of circulation was reported, more than $341,000,000, equal to 55 per cent. of the capital and surplus. In October, 1890, it had fallen to less than $123,000,000 or about 15 per cent. of the capital and surplus, and now it is less than 23 per cent. In one particular the National banks have recently shown evidences of prosperity, in the growth of individual deposits, which now exceed $1,853,000,000, the largest amount ever reported. In September, 1892, the total reached $1,765,000,000, but in October, 1893, it had fallen to $1,451,000,000, since which time the deposits have increased $402,000,000.

Condition of the National Banks of the United States.

	Capital.	*Surplus.*	*Individual deposits.*	*Gold.*	*Silver.*	*Legal tenders.*
Sept. 28, 1895	$657,135,498	$246,448,426	$1,701,653,521	$162,925,290	$33,312,021	$143,866,685
Dec. 13, 1895	656,956,245	246,177,563	1,720,550,241	168,244,430	33,467,979	130,649,423
Feb. 28, 1896	653,994,915	247,178,188	1,648,092,868	156,894,060	39,123,428	141,242,518
May 7, 1896	652,089,780	247,546,067	1,687,629,515	157,761,800	44,611,646	147,006,652
July 14, 1896	651,144,855	248,368,423	1,668,413,507	161,853,560	41,981,889	140,378,290
Oct. 6, 1896	648,540,325	247,690,075	1,597,891,058	160,723,890	40,084,742	142,334,730
Dec. 17, 1896	647,186,395	247,339,567	1,639,688,393	181,020,260	44,520,448	156,973,612
Mar. 9, 1897	642,424,195	247,130,031	1,669,219,961	188,304,755	45,644,107	186,332,852
May 14, 1897	637,002,395	246,736,684	1,728,063,971	190,396,251	45,680,062	174,144,993
July 23, 1897	632,153,042	246,403,782	1,770,480,563	193,686,596	47,236,005	172,596,020
Oct. 5, 1897	631,488,095	246,345,020	1,858,349,128	195,895,107	43,492,595	149,494,929

THE MONEY MARKET.—Rates for money continne low and there is no prospect of an immediate change. The situation is reflected in the fact that the Union Pacific reorganization committee was able to pay more than $16,000,000 to the Government without affecting the money market in the slightest degree. The Government has allowed this money to remain in depositary banks, but in a stringent market such a large payment would have caused a sharp advance for a time. The dullness in the stock market has kept call money cheap, but some inquiry for time money has been noticeable of late. The supply of commercial paper is still less than the demand, while money has been flowing into New York from outside points. In the West and South the banks are generally well supplied with funds. At the close of the month call money ruled at 1¾ to 2 per cent. the average rate being about 1⅞ per cent. Bank and trust companies quote 2 per cent. as the minimum on Stock Exchange collateral. Time money on Stock Exchange collateral was quoted at 2½ per cent. for 30 to 90 days, 3 per cent. for four to five months, and 3½ per cent. for six to eight months. For commercial paper the rates are 3 per cent., for 60 to 90 days endorsed bills receivable, 3½ to 4 per cent. for first-class four to six months single names, and 4 to 5 per cent. for good paper having the same length of time to run. The rates for money in this city on or about the first of the month for the past six months are shown in the following table:

Money Rates in New York City.

	July 1.	*Aug. 1.*	*Sept. 1.*	*Oct. 1.*	*Nov. 1.*	*Dec. 1.*
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*
Call loans, bankers' balances	1 –2	1 –2	1 –1½	3 –3½	1½– 2½	1¾ –2
Call loans, banks and trust companies	1 –2	1 –2	1½–	3½–	2½–	2 –
Brokers' loans on collateral, 30 to 60 days	2 –	1½–	2½–	3 –	2½	2½–
Brokers' loans on collateral, 90 days to 4 months	2 –2½	2 –2½	3 –	3½–4	3½–	2½–3
Brokers' loans on collateral, 5 to 7 months	2½–3	3 –	3½–	4½–5	3½–4	3 –3½
Commercial paper, endorsed bills receivable, 60 to 90 days	3 –3¼	3½–	3¾–4	4¼–4½	3¾–4	3 –
Commercial paper prime single names, 4 to 6 months	3¼–4	3¾–4	4 –4½	4½–5	4 –4½	3½–4
Commercial paper, good single names, 4 to 6 months	4 –4½	4½–5	4¾–5	5 –6	4½–5	4 –5

EUROPEAN BANKS.—The Bank of England and the principal Continental banks have gained gold during the month, but the Bank of Germany alone made a material increase, its holdings being about $11,000,000 more than they were a month ago, but only about $2,000,000 more than a year ago. Compared with the end of November, 1896, the Bank of England has lost $16,000,000 gold while the Bank of France has gained $5,000,000 and the Bank of Austro-Hungary $37,000,000.

Gold and Silver in the European Banks.

	January 1, 1897.		November 1, 1897.		December 1, 1897.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
England	£34,158,899	....	£31,928,171	....	£32,377,370	....
France	76,584,590	£49,130,797	78,382,764	£48,261,644	78,387,504	£48,388,907
Germany	28,505,450	14,252,750	26,512,000	13,658,000	28,711,000	14,791,000
Austro-Hungary	30,340,000	12,578,000	37,970,000	12,414,000	38,196,000	12,391,000
Spain	8,528,000	10,210,000	9,228,000	10,520,000	9,233,000	11,050,000
Netherlands	2,634,000	6,841,000	2,630,000	6,702,000	2,629,000	6,736,000
Nat. Belgium	2,736,667	1,368,333	2,753,333	1,376,667	2,741,333	1,370,667
Totals	£183,487,606	£94,380,880	£189,404,268	£92,932,311	£192,275,207	£94,727,574

Foreign Exchange.—The rates for sterling exchange have advanced further from the gold importing point, and the higher rates ruling for money abroad than here promise to keep sterling firm at least until the turn of the year. Bills against cotton and grain shipments have come on the market freely but the demand for

RATES FOR STERLING AT CLOSE OF EACH WEEK.

Week ended	Bankers' Sterling.		Cable transfers.	Prime commercial. Long.	Documentary Sterling. 60 days.
	60 days.	Sight.			
Nov. 6	4.82¾ @ 4.83	4.85½ @ 4.85¾	4.86 @ 4.86¼	4.82¼ @ 4.82½	4.81¾ @ 4.82
" 13	4.82¾ @ 4.83	4.85½ @ 4.85¾	4.85¾ @ 4.86	4.82¼ @ 4.82½	4.81¾ @ 4.82
" 20	4.82¾ @ 4.83	4.85½ @ 4.85¾	4.85¾ @ 4.86	4.82¼ @ 4.82½	4.81¾ @ 4.82
" 27	4.83 @ 4.83¼	4.85¾ @ 4.86	4.86 @ 4.86¼	4.82½ @ 4.82¾	4.82 @ 4.82¼
Dec. 4	4.83 @ 4.83¼	4.85¾ @ 4.86	4.86 @ 4.86¼	4.82½ @ 4.82¾	4.82 @ 4.82¼

Foreign Exchange—Actual Rates on or about the First of Each Month.

	Aug. 1.	Sept. 1.	Oct. 1.	Nov. 1.	Dec. 1.
Sterling Bankers—60 days	4.86¼– ½	4.83½– ¾	4.82½– ¾	4.82¼– 2½	4.83¼– ½
" " Sight	4.87¼– ½	4.85½– ¾	4.84¾– 5	4.85¼– 5½	4.86 – ¼
" " Cables	4.87½– ¾	4.85¾– 6	4.85 – ¼	4.85¾– 6	4.86¼– ½
" Commercial long	4.85¾– 6	4.83 – ¼	4.82 – ¼	4.81¾– 2	4.82¾– 3
" Docu'tary for paym't.	4.85¼– ½	4.82½– ¾	4.81½– ¾	4.81¼– 1½	4.82¼– ½
Paris—Cable transfers	5.15¼– 4⅜	5.18⅛– 7½	5.18¾–	5.18⅛–	5.18⅛–
" Bankers' 60 days	5.16⅞–	5.20 1/16–20	5.21¼–	5.20⅝–	5.20⅝–
" Bankers' sight	5.15 –	5.18⅛–	5.19⅜– 8¾	5.18¾–	5.18¾– ⅛
Antwerp—Commercial 60 days.	5.18¾–⅛	5.22½– 1⅞	5.23⅛–	5.22½– 1⅞	5.22½– 1⅞
Swiss—Bankers' sight	5.16¼–	5.18¾– ⅛	5.20 –19⅜	5.19⅜–	5.20⅝–
Berlin—Bankers' 60 days	95 5/16– ⅜	94 13/16– ⅞	94½– 9/16	94⅝– 11/16	94¾– 13/16
" Bankers' sight	95¾–	95¼– 5/16	95⅛– 3/16	95 5/16– ⅜	95 7/16– ½
Brussels—Bankers' sight	5.15⅝– 1/16	5.18¾– ½	5.20 –19⅜	5.19⅜–	3.18¾–
Amsterdam—Bankers' sight	40⅜– 7/16	40⅛– 3/16	40⅛– 3/16	40 3/16– ¼	40¼– 5/16
Kronors—Bankers' sight	27 – 1/16	26⅞– 15/16	26⅞– 15/16	26⅞– 15/16	26⅞– 15/16
Italian lire—sight	5.40¼–37¼	5.44⅜– 2⅜	5.46¼ – 3¼	5.46½– 3½	5.45 – 2

Bank of England Statement and London Markets.

	Aug. 11, 1897.	Sept. 15, 1897.	Oct. 13, 1897.	Nov. 17, 1897.
Circulation (exc. b'k post bills)	£28,008,420	£27,357,105	£27,872,765	£27,205,140
Public deposits	7,004,421	7,620,581	7,178,852	7,201,055
Other deposits	40,514,160	40,119,267	40,532,667	37,149,557
Government securities	13,783,480	13,429,726	15,258,726	12,876,416
Other securities	27,403,906	27,967,609	29,381,214	27,883,742
Reserve of notes and coin	24,411,110	24,754,644	20,924,263	21,511,893
Coin and bullion	35,619,530	35,311,749	31,997,028	31,917,068
Reserve to liabilities	51¼%	51¾%	43 11/16%	48¾%
Bank rate of discount	2%	2%	3%	3%
Market rate, 3 months' bills	1⅛%	2%	2½%	2⅞%
Price of Consols (2¾ per cents.)	112½	111⅜	111 11/16	113 5/16
Price of silver per ounce	25⅝d.	25⅞	26⅝d.	27 d.
Average price of wheat	29s. 5d.	33s. 1d.	32s. 1d.	34s. 0d.

exchange absorbed them. There has been a large investment demand for 60 day exchange to hold until it runs to sight.

MONEY RATES ABROAD.—The rates for money in European financial circles continue firm. No change was made in the Bank of England rate of discount, which remains at 3 per cent. Discounts of 60 to 90 day bills in London at the close of the month were 2 15-16 per cent. against 3 per cent. a month ago. The open market rate at Paris was 2 per cent., the same as a month ago; at Berlin and Frankfort, 4⅜ per cent., an advance of ⅛ per cent.

MONEY RATES IN FOREIGN MARKETS.

	June 18.	*July 16.*	*Aug. 13.*	*Sept. 17.*	*Oct. 16.*	*Nov. 12.*
London—Bank rate of discount.....	2	2	2	2	3	3
Market rates of discount:						
60 days bankers' drafts......	⅞	⅞	1½	2	2⅜—2½	2⅞
6 months bankers' drafts....	1 3/16—¼	1¼	2¼	2⅛	2⅝—¾	2¾—
Loans—Day to day...........	½	½	½	1	1¼	1½
Paris, open market rates............	1¾	1¾	1¾	1⅞	2	2
Berlin, "	2¾	2⅜	2¾	3½	4	4⅛
Hamburg, "	2¾	2⅝	2⅞	3⅛	4⅛	4⅛
Frankfort, "	2⅞	2½	2⅝	3½	4¼	4¼
Amsterdam, "	1⅞	2⅜	2¼	2½	3	3
Vienna, "	3½	3¼	3 1/16	4	3⅞	3¾
St. Petersburg, "	5¾	5¾	4½	5	5	5
Madrid, "	4	4	4	4	4	4
Copenhagen, "	4½	5	4	4½	5	5

SILVER.—The price of silver in London declined early in the month then became firm and remained steady thereafter, making a sharp advance at the close. From 27½d per ounce, the closing price in October, there was a decline to 26⅜d on November 4. From that point there was an advance to 27½d on November 30, the closing price of a month ago.

MONTHLY RANGE OF SILVER IN LONDON—1895, 1896, 1897.

MONTH.	*1895.*		*1896.*		*1897.*		MONTH.	*1895.*		*1896.*		*1897.*	
	High	*Low.*	*High*	*Low.*	*High*	*Low.*		*High*	*Low.*	*High*	*Low.*	*High*	*Low.*
January..	27 7/16	27 3/16	30½	30⅞	29 13/16	29 11/16	July......	30⅝	30¼	31⅝	31⅜	27 11/16	26⅜
February	27 11/16	27¼	31 3/16	30¾	29¾	29 11/16	August ..	30 5/16	30¼	31⅜	30⅝	26½	23¾
March....	30¼	27⅝	31 11/16	31⅛	29⅝	28 3/16	Septemb'r	30 9/16	30 7/16	30 11/16	30	27¼	23¾
April.....	30⅞	29⅝	31 3/16	30 15/16	28½	28 3/16	October..	31⅛	30⅝	30 5/16	29¾	27½	26
May......	30⅞	30 3/16	31 3/16	30 15/16	28 3/16	27⅝	Novemb'r	31	30⅝	30 3/16	29¾	27½	26⅝
June.....	30 11/16	30⅛	31 5/16	31 5/16	27¾	27½	Decemb'r	30 11/16	30	30	29 11/16		

COIN AND BULLION QUOTATIONS.—Following are the ruling quotations in New York for foreign and domestic coin and bullion:

FOREIGN AND DOMESTIC COIN AND BULLION—QUOTATIONS IN NEW YORK.

	Bid.	*Asked.*		*Bid.*	*Asked.*
Trade dollars..................	$ .60	......	Twenty marks.................	$4.74	$4.78
Mexican dollars................	.46⅛	$ .47⅛	Spanish doubloons............	15.50	15.70
Peruvian soles, Chilian pesos..	.41¾	44.	Spanish 25 pesos..............	4.78	4.82
English silver...................	4.83	4.86	Mexican doubloons...........	15.50	15.70
Victoria sovereigns...........	4.84	4.87	Mexican 20 pesos.............	19.50	19.60
Five francs......................	.93	.95	Ten guilders..................	3.95	3.99
Twenty francs..................	3.83	3.87			

Fine gold bars on the first of this month were at par to ¼ per cent. premium on the Mint value. Bar silver in London, 27½d. per ounce. New York market for large commercial silver bars, 59⅛ @ 60⅛c. Fine silver (Government assay), 59¾ @ 60⅞c.

GOLD AND SILVER COINAGE.—The coinage of the United States mints in October aggregated $5,773,210 of which $3,544,000 was gold, $2,103,000 silver, including $1,500,000 standard dollars and $126,210 minor coin.

COINAGE OF THE UNITED STATES.

	1896.		1897.	
	Gold.	Silver.	Gold.	Silver.
January	$12,914,600	$65,000	$7,803,420	$1.964.800
February	1,240,000	1,500.000	10,152,000	1,519,794
March	1,540,555	1,683.531	13,770,900	1,617,654
April	1,500.000	1,831.000	8,800,400	1,535,009
May	2,857.200	1,826,490	4,489,950	1,600,000
June	2,471,217	1,950,693	2,100,547	1,856,754
July	2,918,200	1,092.000	377,000	260,000
August	3,315,000	2,686,000	8,756,250	701,436
September	3,140,923	2,754,185	8,762,375	1,050,092
October	5,727,500	2,844,010	3,845,000	2,301,000
November	5,064,700	2,305,022	3.544,000	2,108,000
December	4,363,165	2,551,968		
Year	$47,052,561	$23,080,899	$72,401,842	$16,509,530

NATIONAL BANK CIRCULATION.—There was a further reduction in amount of National bank notes outstanding last month of nearly $500,000, making a decrease in the past twelve months of $5,762,000. The circulation based on Government bonds was reduced nearly $1,985,000 and the deposit of lawful money to retire circulation was increased $1,693,000. The withdrawals of Government bonds on deposit to secure circulation aggregated $2,383,250, making nearly $4,000,000 in the past two months.

NATIONAL BANK CIRCULATION.

	Aug. 31, 1897.	Sept. 30, 1897.	Oct. 31. 1897.	Nov. 30, 1897.
Total amount outstanding	$230,508,524	$230,725,491	$230.047,685	$229,549,707
Circulation based on U. S. bonds	205,755,976	205.604,781	203,926,950	201,735,572
Circulation secured by lawful money	24,752,548	25,120,710	26,120,685	27,814,135
U. S. bonds to secure circulation:				
Four per cents. of 1895	31,983,150	31,568,150	30,474,150	28,996,650
Pacific RR. bonds, 6 per cent	8,955,000	9,556,000	9,030,000	8,778,000
Funded loan of 1891, 2 per cent	15,846,650	22,159,150	22,039,650	22,066,400
" " 1907, 4 per cent	150,490,650	150,194,600	150,288,100	149,419,600
Five per cents. of 1894	22,245,650	15,870,650	15,910,650	16,098,650
Total	$229,471,100	$229,348,550	$227,742,550	$225,359,300

The National banks have also on deposit the following bonds to secure public deposits: 4 per cents. of 1895, $6,622,000; Pacific Railroad 6 per cents., $6,908,000; 2 per cents of 1891, $1,240,500; 4 per cents of 1907, $19,655,000; 5 per cents. of 1894, $5,300,000; District of Columbia 3.65s.-1924, $300,000, a total of $40,025,500.

The circulation of National gold banks, not included in the above statement, is $84,510.

GOVERNMENT REVENUES AND DISBURSEMENTS.—The deficit in Government revenues in November was about $1,400,000 less than that reported in October, but nevertheless approximated $8,000,000, bringing the total for the first five months of the fiscal year to nearly $46,000,000. While the present condition of the United States Treasury, both as to surplus and gold reserve, is such as to disarm apprehension, the failure of the revenues of the Government to meet its current expenditures

UNITED STATES TREASURY RECEIPTS AND EXPENDITURES.

RECEIPTS.			EXPENDITURES.		
Source.	November, 1897.	Since July 1, 1897.	Source.	November, 1897.	Since July 1, 1897.
Customs	$9,830,025	$51,164,232	Civil and mis	$7,247,000	$48,769,163
Internal revenue	13,530,649	71,155,274	War	5,376,000	31,288,237
Miscellaneous	1,808,313	7,599,751	Navy	2,736,000	14,180,651
			Indians	1,237,000	4,307,912
			Pensions	13,650,000	64,278,148
Total	$25,168,987	$129,919,257	Interest	2,900,000	18,086,169
Excess of expenditures	$7,977,012	$45,986,023	Total	$33,146,000	$175,905,280

is recognized as a disagreeable condition which Congress should try to remove as speedily as possible. The deficit is piling up at the rate of $100,000,000 a year and even with larger revenues from customs that may possibly come early next year, the year's expenditures will show an excess over receipts on June 30 next unless legislation makes the necessary adjustment.

UNITED STATES TREASURY CASH RESOURCES.

	Aug. 31.	*Sept. 30.*	*Oct. 31.*	*Nov. 30.*
Net gold	$144,206,276	$147,621,963	$153,551,811	$157,113,988
Net silver	23,759,676	14,156,727	15,578,985	15,753,187
U. S. notes	28,169,836	41,403,141	39,875,497	35,884,800
Miscellaneous assets (less current liabilities)	8,158,150	*4,983,131	*15,097,480	*23,743,591
Deposits in National banks	17,116,471	17,392 278	17,688,555	31,759,834
Available cash balance	$221,410,411	$215,587,978	$211,547,369	$216,768,220

* Excess of liabilities.

UNITED STATES GOVERNMENT RECEIPTS AND EXPENDITURES AND NET GOLD IN THE TREASURY.

MONTH.	*1896.*			*1897.*		
	Receipts.	*Expenditures.*	*Net Gold in Treasury.*	*Receipts.*	*Expenditures.*	*Net Gold in Treasury.*
January	$29,237,670	$32,529,340	$49,845,507	$24,316,994	$30,269,889	$144,800,493
February	26,059,228	26,749,956	123,962,979	24,400,997	28,796,056	148,661,209
March	26,041,149	27,274,994	128,646,461	36,217,662	27,212,998	152,786,464
April	24,282,893	28,987,381	125,393,900	37,812,135	32,072,097	153,340,889
May	24,643,718	28,426,592	108,345,234	29,797,390	29,109,259	144,319,562
June	27,794,219	25,444,789	101,699,605	36,584,708	22,934,694	140,790,738
July	29,029,209	42,088,468	110,718,746	39,027,364	50,100,909	140,817,699
August	25,562,097	35,701,676	100,957,561	19,023,615	33,588,047	144,216,877
September	24,584,244	26,579,535	124,034,672	21,933,098	25,368,815	147,663,105
October	26,282,829	33,978,277	117,126,523	24,391,415	33,701,512	153,573,147
November	25,210,696	33,260,720	131,510,352	25,168,987	33,146,000	*157,113,988
December	25,857,114	28,812,664	137,316,543			

* This balance as reported in the Treasury sheet on the last day of the month.

NEW YORK CITY BANKS.—The deposits of the New York Clearing-House banks have again reached a total higher than was ever before recorded, and now aggregate $666,278,000 or $24,000,000 more than on September 11 last when the previous high record was reached. During the month the deposits increased about $41,000,000, making an increase of more than $50,000,000 since October 16. Compared with a year ago there has been an increase of $164,000,000 and compared with the corresponding date of 1895 an increase of $176,000,000. Loans have also reached their maximum record and now aggregate nearly $598,000,000, an increase since October 23 of $35,500,000. The loans are $125,000,000 in excess of the amount outstanding a year ago. The reserves have increased $8,000,000 during the month, of which $3,000,000 was in specie and $5,000,000 in legal tenders, but the surplus reserve decreased $2,000,000 and is now $10,000,000 less than in 1896.

There are fourteen National banks and thirty-eight State banks located in New

NEW YORK CITY BANKS—CONDITION AT CLOSE OF EACH WEEK.

	Loans.	*Specie.*	*Legal tenders.*	*Deposits.*	*Surplus Reserve.*	*Circulation.*	*Clearings.*
Nov. 6	$574,085,800	$102,176,000	$77,091,000	$632,843,100	$21,181,225	$16,050,000	$725,052,600
" 13	575,316,900	102,856,300	77,741,800	635,331,800	21,765,150	16,032,500	792,006,300
" 20	580,170,100	106,650,200	80,537,400	643,117,400	23,408,250	15,989,200	728,626,000
" 27	594,267,500	104,150,500	83,875,800	659,861,500	22,560,925	16,009,100	652,151,000
Dec. 4	597,744,000	104,489,800	84,202,800	666,278,600	22,122,950	15,916,000	793,330,900

York, Brooklyn, Jersey City, Hoboken and Staten Island, which are not members of the New York Clearing-House Association but clear through members. They have an aggregate capital of $9,212,000 and net profits of $8,386,500. The clearing-house has begun the publication of the weekly statements of those institutions, and a comparative table showing their condition by weeks is published below following our usual statement of the clearing-house banks.

DEPOSITS AND SURPLUS RESERVE ON OR ABOUT THE FIRST OF EACH MONTH.

MONTH.	1895.		1896.		1897.	
	Deposits.	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*	*Deposits.*	*Surplus Reserve.*
January	$549,291,400	$35,268,850	$501,089,300	$15,939,675	$530,785,000	$33,288,950
February	546,965,200	36,751,500	490,447,200	39,623,400	563,331,800	59,148,250
March	528,440,800	28,054,500	489,612,200	24,442,150	578,769,300	57,520,975
April	504,240,200	13,413,450	481,795,700	17,005,975	569,236,500	47,666,575
May	526,998,100	27,233,575	495,004,100	22,944,275	576,863,900	48,917,625
June	566,229,400	41,221,250	498,874,100	22,230,675	575,600,000	46,616,100
July	570,436,300	34,225,925	499,046,900	20,828,275	604,983,700	41,384,875
August	574,304,500	40,917,175	485,014,000	17,728,600	623,045,000	45,720,150
September	574,929,900	39,149,925	451,934,800	8,836,200	636,996,000	39,517,700
October	549,136,500	22,296,175	454,733,100	16,526,025	619,353,200	15,550,400
November	529,862,400	17,594,400	446,445,900	17,468,225	625,339,000	24,271,800
December	520,788,000	18,613,300	490,634,300	31,411,625	666,278,600	22,122,950

Deposits reached the highest amount, $666,278,600 on December 4, 1897, and the surplus reserve $111,623,000 on February 3, 1894.

NON-MEMBER BANKS—NEW YORK CLEARING-HOUSE.

	Loans and Investments.	*Deposits.*	*Specie.*	*Legal tender and bank notes.*	*Deposit with Clearing-House agents.*	*Deposit in other N. Y. banks.*	*Surplus.*
Oct. 30	$59,794,300	$64,162,000	$2,912,200	$3,885,200	$8,421,000	$2,429,100	$1,607,000
Nov. 6	59,816,900	63,021,400	2,993,900	3,669,600	8,011,200	2,244,600	1,163,950
" 13	60,231,900	63,966,900	3,029,400	4,095,800	8,021,100	2,734,000	1,888,575
" 20	60,090,500	63,639,400	3,178,600	3,896,600	7,864,000	2,556,300	1,585,650
" 27	60,266,900	64,040,700	3,106,700	3,855,400	7,934,100	2,667,200	1,553,225

BOSTON AND PHILADELPHIA BANKS.—The changes in the condition of the clearing-house banks of Boston and Philadelphia are shown in the following tables:

BOSTON BANKS.

Dates.	*Loans.*	*Deposits.*	*Specie.*	*Legal Tenders.*	*Circulation.*	*Clearings.*
Oct. 30	$181,739,000	$180,311,000	$11,024,000	$8,536,000	$7,160,000	$98,083,800
Nov. 6	181,948,000	185,844,000	11,079,000	8,430,000	7,126,000	124,876,900
" 13	179,866,000	181,662,000	11,164,000	9,077,000	7,112,000	111,774,900
" 20	179,500,000	181,355,000	11,257,000	9,128,000	7,064,000	97,694,200
" 27	179,599,000	180,857,000	11,281,000	9,423,000	7,103,000	83,508,800

PHILADELPHIA BANKS.

Dates.	*Loans.*	*Deposits.*	*Lawful Money Reserve.*	*Circulation.*	*Clearings.*
Oct. 30	$119,814,000	$127,753,000	$36,985,000	$6,717,000	$63,454,500
Nov. 6	120,118,000	127,285,000	36,292,000	6,739,000	65,090,200
" 13	118,734,000	127,241,000	36,029,000	6,495,000	66,992,500
" 20	118,702,000	129,448,000	37,629,000	6,501,000	70,540,000
" 27	118,166,000	128,615,000	37,889,000	6,460,000	60,527,300

MONEY IN CIRCULATION.—Rarely in the history of the country has the supply of money in circulation increased as rapidly as it has in the past few months.

In October we noted an increase of nearly $28,000,000 and now we have a further increase of more than $14,000,000 for November, or a total of $42,000,000 in two months and of nearly $71,000,000 since January 1 last. The principal gain last month was $5,000,000 in gold coin, about $3,000,000 each in Treasury notes and United States notes and $1,000,000 each in silver dollars and subsidiary silver and nearly $500,000 in silver certificates. The only decreases were $88,000 in gold certificates and $178,000 in National bank notes.

MONEY IN CIRCULATION IN THE UNITED STATES.

	Jan. 1, 1897	*Oct. 1, 1897.*	*Nov. 1, 1897.*	*Dec. 1, 1897.*
Gold coin	$517,743.229	$528,098,753	$539,273,953	$544,494,748
Silver dollars	58,581,819	57,145,770	60,196,778	61,280,761
Subsidiary silver	62,101,986	61,176,415	63,432,929	64,829,045
Gold certificates	37,887,439	36,898,559	36,814,109	36,725,409
Silver certificates	356,655,800	374,620,299	372,838,919	373,298,667
Treasury notes, Act July 14, 1890	84,171,221	89,816,063	101,759,955	104,676,396
United States notes	261,367,758	251,795,544	258,996,998	262,183,000
Currency certificates, Act June 8, 1872	50,330,000	52,825,000	48,285,000	48,640,000
National bank notes	221,384,148	226,464,135	225,184,263	224,956,210
Total	$1,650,223.400	$1,678,840,538	$1,706,732,904	1,721,084,538
Population of United States	72,159,000	73,330,000	73,461,000	73,593,000
Circulation per capita	$22.87	$22.89	$23.23	$23.39

MONEY IN THE UNITED STATES TREASURY.—The deficit in revenues of the Government is steadily reducing the cash in the Treasury, the net balance showing a decrease in November of $5,000,000 and of $18,000,000 since September 1. The Treasury is still gaining gold, about $4,000,000 coming in during the month, making $20,000,000 increase since January 1. The silver in the Treasury less silver certificates and Treasury notes outstanding decreased $4,000,000 in November, and United States notes, less currency certificates outstanding, over $3,500,000.

MONEY IN THE UNITED STATES TREASURY.

	Jan. 1, 1897.	*Oct. 1, 1897.*	*Nov. 1, 1897.*	*Dec. 1, 1897.*
Gold coin	$120,638.598	$154,338,370	$153,417,732	$151,965,892
Gold bullion	54,565,385	30,223,294	36,969,525	42,123,368
Silver Dollars	384,584,572	394,948,022	392,517,014	392,933,031
Silver bullion	110,815,247	105,078,550	104,858,852	103,531,722
Subsidiary silver	14,215,766	13,455,175	11,981,078	11,191,630
United States notes	85,313,258	94,885,472	87,684,018	84,498,016
National bank notes	14,278,970	3,814,835	4,998,012	4,678,007
Total	$784,411,796	$796,743,718	$792,421,231	$790,921,666
Certificates and Treasury notes, 1890, outstanding	529,044,460	554,159,921	559,697,983	563,340,774
Net cash in Treasury	$255,367,336	$242,583,797	$232,723,248	$227,580,892

THE SUPPLY OF MONEY IN THE COUNTRY.—An increase of $9,000,000 in the total supply of money in the United States is reported for November, making an

SUPPLY OF MONEY IN THE UNITED STATES.

	Jan. 1, 1897.	*Oct. 1, 1897.*	*Nov. 1, 1897.*	*Dec. 1, 1897.*
Gold coin	$638,381,827	$682,437,123	$692,691,685	$696,460,640
Gold bullion	54,565,385	30,223,294	36,969,525	42,123,368
Silver dollars	443,166,391	452,036,792	452,718,792	454,213,792
Silver bullion	110,815,247	105,078,550	104,853,852	103,531,722
Subsidiary silver	76,317,752	74,631,590	75,414,007	76,020,675
United States notes	346,681.016	346,681,016	346,681,016	346,681,016
National bank notes	235,663,118	230,278,970	230,132,275	229,634,217
Total	$1,905,590,736	$1,921,424,335	$1,939.456,152	$1,948,665,430

Certificates and Treasury notes represented by coin, bullion, or currency in Treasury are not included in the above statement.

increase of $41,000,000 in the past four months. The increase for the month is represented by a corresponding increase in the gold supply, a gain of $600,000 in subsidiary silver being nearly offset by a decrease of $500,000 in National bank notes.

UNITED STATES PUBLIC DEBT.—The receipt of $18,194,618 by the Government on account of the settlement of the Pacific Railroad indebtedness, which money the Government will have to use after January 1 in paying off the bonds issued on account of the railroad, temporarily reduced the net debt last month, the apparent decrease being $11,000,000. In fact however the debt has increased $7,000,000 as the Pacific Railroad bonds are not included in the principal of the public debt as reported in the monthly statements. The net cash balance including the Union Pacific fund is $220,663,000, but exclusive of that fund is less than $202,500,000, a decrease since January 1 of nearly $26,000,000.

UNITED STATES PUBLIC DEBT.

	Jan. 1, 1897.	*Oct. 1, 1897.*	*Nov. 1, 1897.*	*Dec. 1, 1897.*
Interest bearing debt:				
Funded loan of 1891, 2 per cent	$25,364,500	$25,364,500	$25,364,500	$25,364,500
" " 1907, 4 "	559,638,900	559,641,200	559,641,800	559,641,500
Refunding certificates, 4 per cent	45,890	44,440	44,360	44,220
Loan of 1904, 5 per cent	100,000,000	100,000,000	100,000,000	100,000,000
" 1925, 4 "	162,315,400	162,315,400	162,315,400	162,315,400
Total interest-bearing debt	$847,364,690	$847,365,540	$847,365,560	$847,365,620
Debt on which interest has ceased	1,383,070	1,334,570	1,331,540	1,331,280
Debt bearing no interest:				
Legal tender and old demand notes	346,735,363	346,735,363	346,735,363	346,735,363
National bank note redemption acct	18,876,333	24,992,324	26,000,524	27,570,824
Fractional currency	6,890,504	6,887,702	6,887,702	6,886,987
Total non-interest bearing debt	$372,502,201	$378,615,390	$379,623,590	$381,193,125
Total interest and non-interest debt.	1,221,249,961	1,227,315,500	1,228,320,690	1,229,890,025
Certificates and notes offset by cash in the treasury:				
Gold certificates	39,279,789	38,434,169	38,348,169	38,274,149
Silver "	370,883,504	385,152,504	384,170,504	384,963,504
Certificates of deposit	50,830,000	54,150,000	48,625,000	48,890,000
Treasury notes of 1890	119,816,280	111,334,280	109,313,280	107,793,280
Total certificates and notes	$580,809,573	$589,070,953	$580,456,953	$579,920,933
Aggregate debt	1,802,059,534	1,816,386,453	1,808,777,643	1,809,810,958
Cash in the Treasury:				
Total cash assets	853,463,551	850,368,631	831,669,957	846,409,076
Demand liabilities	625,142,172	635,175,844	623,913,858	625,745,517
Balance	$228,320,379	$215,192,787	$207,756,099	$220,663,559
Gold reserve	100,000,000	100,000,000	100,000,000	100,000,000
Net cash balance	128,320,379	115,192,787	107,756,099	120,663,559
Total	$228,320,379	$215,192,787	$207,756,099	$220,663,559
Total debt, less cash in the Treasury.	992,929,582	1,012,122,718	1,020,564,591	1,009,226,466

FOREIGN TRADE.—The volume of exports of merchandise still keeps up near to maximum figures, the total for October being nearly $111,800,000, or only about $1,700,000 less than for the same month last year when the exports were exceptionally large. The imports continue small, being less than $50,000,000 or about $500,000 less than in 1896. The net balance of exports for the month was nearly $62,000,000 as compared with $63,000,000 in October, 1896, but with that exception is larger than for any corresponding month in any recent year. During the month of October we imported $11,000,000 of gold coin and bullion and $400,000 of gold ore, exported $3,500,000 silver coin and bullion and imported about $1,600,000 silver ore. The net exports of merchandise and specie for the month amounted to $52,300,000 as compared with $37,700,000 in October, 1896. For the ten months ended October 31, 1897, the net exports of merchandise and specie aggregated $244,500,000 as against $197,700,000 in the previous year, an increase of $46,800,000.

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.

The following table shows the highest, lowest and closing prices of the most active stocks at the New York Stock Exchange in the month of November, and the highest and lowest during the year 1897, by dates, and also, for comparison, the range of prices in 1896:

	YEAR 1896.		HIGHEST AND LOWEST IN 1897.		NOVEMBER, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Atchison, Topeka & Santa Fe.	18	8¼	17 —Sept. 18	9⅛—Apr. 19	13⅝	12⅛	12⅛
" preferred	28⅛	14⅛	35¼—Sept. 8	17 —Apr. 19	29¾	25½	27¾
Atlantic & Pacific	1	⅜	1½—Aug. 12	⅛—Apr. 7	....	....	....
Baltimore & Ohio	44	10½	21⅛—Sept. 20	9 —July 10	13¾	12	12
Bay State Gas	33	7	16¾—Aug. 31	3⅞—Oct. 27	7	4¼	5⅛
Brooklyn Rapid Transit	25⅛	18	37 —Sept. 13	18⅜—Jan. 7	33¾	30½	31¾
Canadian Pacific	62¾	52	81¾—Oct. 14	46½—Mar. 29	81	79½	80¼
Canada Southern	51¾	40¾	62½—Sept. 16	44⅛—Jan. 13	56⅜	51½	54
Central of New Jersey	110	87½	103¼—Jan. 19	68¼—May 24	92¾	81⅝	85⅝
Central Pacific	16⅛	13⅛	18 —Sept. 28	7½—Apr. 20	14	11	11
Ches. & Ohio vtg. ctfs	18½	11	27⅛—Aug. 30	15⅜—Mar. 29	22⅜	20	21⅛
Chicago & Alton	164	146	170 —Mar. 1	140 —Nov. 3	160	140	160
Chicago, Burl. & Quincy	83¾	53	102¼—Sept. 20	69⅜—Jan. 5	96¾	89¾	95
Chicago & E. Illinois	43	37½	61 —Sept. 8	37¼—June 7	54½	53	53
" preferred	100½	90	103 —Sept. 14	95 —Feb. 8	95	95	95
Chicago Gas	78¾	44⅝	108¾—Sept. 18	73¼—Jan. 5	97⅜	92½	96
Chic., Milwaukee & St. Paul	80	59⅞	102 —Sept. 15	69¼—Apr. 19	96⅞	89	92⅞
" preferred	131	117½	146 —Sept. 4	130½—May 6	140⅝	139	140⅝
Chicago & Northwestern	106¾	85⅛	132½—Sept. 15	101¾—Apr. 19	123¾	117	122½
" preferred	152	140¾	165½—Sept. 22	153 —Jan. 12	165	161½	165
Chicago, Rock I. & Pacific	74⅞	49¼	97¼—Sept. 20	60¼—Apr. 19	88⅛	81½	88⅛
Chic., St. Paul, Minn. & Om.	49¾	30⅛	89½—Sept. 16	47 —Jan. 2	80¾	72¾	77⅞
" preferred	133	117	148 —July 26	133 —Jan. 7	147	145	147
Clev., Cin., Chic. & St. Louis	39½	19½	41½ -Sept. 15	21½—June 1	36	30½	33⅞
" preferred	90½	73	86½—Sept. 8	63 —June 16	83	80	80
Col. Coal & Iron Devel. Co.	4⅛	¼	2 —Aug. 13	⅜—July 2	....	....	....
Col. Fuel & Iron Co.	34¼	14⅝	27⅞—Sept. 14	15¾—May 11	22	19¾	21¾
Col. Hocking Val. & Tol	20½	12½	18 —Jan. 8	1½—Apr. 30	6¼	4¾	5
" preferred	60	48	46 —Jan. 21	14 —Aug. 3	19½	18	18⅛
Consolidated Gas Co.	168	133	241½—Sept. 16	186½—Jan. 2	210	177	187
Delaware & Hud. Canal Co.	129⅝	114½	123 —Sept. 18	99⅝—Apr. 1	114	106	109
Delaware, Lack. & Western	166	138	164 —Aug. 12	146½—May 20	156¾	150½	154
Denver & Rio Grande	14	10	14¾—Aug. 14	9¼—Apr. 20	11	11	11
" preferred	51	37	50½—Aug. 16	36 —Apr. 20	45	42¾	44½
Edison Elec. Illum. Co., N. Y.	101½	89	132½—Sept. 17	101¾—Jan. 2	125	121	125
Erie	17¾	10¼	19 —Sept. 16	11½—Apr. 19	16¼	13¾	14½
" 1st pref	41¾	27	46⅜—Sept. 16	27 —Apr. 19	37	33¾	35½
" 2d pref	25	13	25⅝—Aug. 12	15½—May 24	20¼	18½	19¼
Evansville & Terre Haute	34½	24	34 —Sept. 20	20 —June 8	25	25	25
Express Adams	154	135	165 —Oct. 29	147¼—Feb. 11	156	154	155
" American	116	105	119½—Nov. 30	109½—Jan. 28	119½	116¼	119½
" United States	48	35	48 —July 23	37 - Feb. 3	42	40	40
" Wells, Fargo	101	80	114 —Nov. 30	97 —Jan. 2	114	109½	112½
Great Northern, preferred	122	108¼	141 —Sept. 4	120 —Jan. 16	133	130	133
Illinois Central	98	84½	110¾—Aug. 7	91½—Apr. 19	102¾	97½	101⅜
Iowa Central	10¼	5⅛	13¾—Sept. 4	6 —Apr. 15	10	8¼	9½
" preferred	38	19	41¾—Sept. 4	23 —June 8	32¼	28	32¼
Laclede Gas	30	17	49¼—Aug. 31	22 —May 4	43	39	43
" preferred	86¼	68¼	96 —Aug. 31	70¼—Mar. 23	91½	90	91½
Lake Erie & Western	22½	12⅛	22½—Sept. 18	13 —July 15	17½	13⅛	16
" preferred	75	55½	79⅞—Sept. 20	58¼—Apr. 1	73½	65¾	69¼
Lake Shore	156	134¾	181 —Sept. 16	152 —Jan. 2	173	166	173
Long Island	84	40½	55 —Jan. 8	39¾—Nov. 5	39¾	39¾	39¾
Louisville & Nashville	55⅝	37⅛	63⅞ -Sept. 3	40½—Apr. 19	56¾	51⅝	54⅞
Louis., N. A. & Chic., Tr. ctfs.	10½	¼	⅛—June 23	¼—Jan. 11	....	....	....
" preferred	24¾	1	....	....	....	....	....
Manhattan consol	113½	73¼	113 —Sept. 10	81¾—May 7	108½	94¾	101¾
Metropolitan Traction	114	79¼	125 —Sept. 3	99⅜—May 3	....	....	....
Michigan Central	97⅞	89	111⅞—Sept. 16	90 —Jan. 28	108	101⅝	103½
Minneapolis & St. Louis	21¾	12	31½—Sept. 16	16 —May 14	26½	24	26½
" 1st pref	83	54	90 —Sept. 16	77¾—Mar. 18	86	86	86
" 2d pref	53½	30	62¾—Sept. 16	46 —Feb. 26	57	50½	57
Missouri, Kan. & Tex	14¾	9⅛	16⅞—Sept. 16	10 —Apr. 19	13⅜	12	13
" preferred	31⅛	16	42 —Sept. 15	24¾—Apr. 19	34⅛	28	34⅛

ACTIVE STOCKS, COMPARATIVE PRICES AND QUOTATIONS.—*Continued.*

	Year 1896.		Highest and Lowest in 1897.		November, 1897.		
	High.	*Low.*	*Highest.*	*Lowest.*	*High.*	*Low.*	*Closing.*
Missouri Pacific	29¾	15	40¼—Sept. 7	10 —May 6	31⅝	25⅞	29⅛
Mobile & Ohio	25	14	32 —Aug. 19	18 —June 3	27	23	24
N. Y. Cent. & Hudson River	99¾	88	115½—Sept. 16	92½—Feb. 18	108⅝	103⅝	107½
N. Y. Chicago & St. Louis	15	9	17⅝—Sept. 3	11 —Feb. 11	14	13⅛	13½
" 1st preferred	80	67½	81½—Sept. 4	67⅝—Apr. 15	75½	73	73
" 2d preferred	35⅝	20	43½—Sept. 20	24 —Feb. 10	35½	31½	34
N. Y., New Haven & Hartf'd.	186	160	186 —Sept. 20	160 —Feb. 2	180¼	178	180
N. Y., Ontario & Western	16⅝	11⅛	20½—Sept. 16	12¾—Apr. 19	16½	14⅝	15½
N. Y., Sus. & Western	12	6	20 —Sept. 16	6½—May 28	18¼	16	18¼
" preferred	31¼	12	45 —Sept. 17	18¼—May 20	34⅞	28	33¾
Norfolk & Western	12¾	⅛	17¼—Sept. 10	9 —Apr. 19	14½	13⅛	13⅛
" preferred	19¾	4⅛	45¾—Sept. 4	17 —Feb. 16	44⅞	39½	43
North American Co	6⅛	3½	6⅛—Aug. 18	3⅝—Apr. 20	4¼	3⅞	4⅛
Northern Pacific tr. receipts.	16⅞	¼	21⅞—Sept. 16	11 —Apr. 19	19½	16½	19¼
" pref tr. receipts	36	10	57 —Sept. 16	32⅛—Jan. 5	56¼	48⅝	55¾
Oregon Railway & Nav	24	10	41 —Sept. 10	10 —Apr. 20	36	33	34
" preferred	40¼	35	73½—Sept. 11	37⅞—Jan. 8	68½	66	67⅞
Oregon Short Line	18⅛	3⅛	23¾—Aug. 16	10⅞—Mar. 30	18¾	17¾	18
Pacific Mail	31	15¼	39¼—Sept. 2	24 —Jan. 9	31	28⅛	30
Peoria, Dec. & Evansville	3⅞	1¼	3⅞—Aug. 17	¼—June 2	1¼	⅞	⅞
Pitts., Cin. Chic. & St. Louis	18¼	11	34⅞—Nov. 10	11½—Mar. 29	34⅞	30	33⅞
" preferred	50	40⅛	70½—Oct. 20	44⅛—June 25	67½	62½	66
Pullman Palace Car Co	164	138	185 —Sept. 16	152 —Jan. 2	171	165	171
Reading Voting Tr. ctfs	....	....	29¼—Sept. 18	16¼—Apr. 19	23⅝	19⅝	22
" 1st prefered	....	....	57¾—Sept. 20	38½—Apr. 19	50	44	48
" 2d preferred	....	....	35⅞—Sept. 20	22½—Apr. 19	29	24½	27¼
Rome, Wat. Ogdens' g	118	108	121½—Sept. 28	117 —Jan. 26	121	120½	121
St. Louis & San Francisco	5⅝	4	9 —Aug. 12	4 —Apr. 19	7¾	6	7¾
" 1st preferred	37	34¼	57¼—Aug. 12	37 —Jan. 29	56⅝	48¾	56⅝
" 2d preferred	14⅛	12	23¼—Nov. 30	12 —Apr. 15	23¼	17½	23⅛
St. Louis & Southwestern	5¾	2⅞	7 —Aug. 16	1 —Apr. 1	5	4½	4½
" preferred	13	6½	14⅜—Sept. 3	3½—Apr. 1	10½	9⅛	9½
St. Paul & Duluth	27½	15	30 —Sept. 10	20 —Jan. 4	21	21	21
" preferred	91	75	87½—Oct. 4	75 —Apr. 20	82	81	81
St. Paul, Minn. & Manitoba	115	105	125 —Aug. 6	114 —Jan. 28	122	122	122
Southern Pacific Co	22¼	14	23⅛—Sept. 8	13½—Jan. 18	20¾	19¼	20¾
Southern Railway	11¾	6½	12¼—Sept. 10	7 —Apr. 19	9¾	8¼	8⅞
" preferred	33¼	15½	38⅜—Sept. 10	22⅞—Mar. 19	31⅝	27	29½
Tennessee Coal & Iron Co	34¾	13	35⅛—Sept. 9	17 —May 20	26⅞	22¼	24½
Texas & Pacific	12	5	15 —Aug. 30	8 —Apr. 1	11¼	10	11⅛
Union Pacific trust receipts	12⅛	3⅞	27¾—Oct. 20	4½—Apr. 19	24½	18¾	24
Union Pac., Denver & Gulf	5½	1⅛	11⅜—Sept. 23	1 —Apr. 24	8¼	6⅜	7⅜
Wabash R. R	8	4½	9¾—Sept. 23	4⅝—Mar. 29	7⅞	5¾	7¾
" preferred	19¾	11	24⅜—Sept. 20	11½—Apr. 19	19	15	17¾
Western Union	90¼	72¾	96¾—Sept. 11	77¼—Apr. 30	88½	84½	87½
Wheeling & Lake Erie	13¼	5¼	6½—Jan. 2	½—June 1	2⅞	1⅞	1⅞
" preferred	40¼	20⅝	29 —Jan. 5	2⅝—Apr. 15	12⅞	11¾	12⅞
Wisconsin Central	4⅜	1⅜	4⅝—Aug. 12	1 —June 8	3¼	1¼	1¼
"INDUSTRIAL" STOCKS:							
American Co. Oil Co	19	8	26⅞—Sept. 2	9½—May 28	22⅝	18	21½
" preferred	68⅞	37	80½—Sept. 1	52¼—Feb. 16	76¼	72	73¾
American Spirits Mfg Co	14⅞	4½	15⅞—Aug. 6	9¼—Apr. 23	10½	6¼	7¾
" preferred	33¼	14¾	36 —Aug. 5	26 —Jan. 5	27⅞	16⅞	18¼
American Sugar Ref. Co	126⅝	95	159½—Sept. 8	109½—Mar. 29	143	128¾	137½
" preferred	104	92¼	121½—Sept. 14	100¼—Jan. 7	114	108¾	112½
American Tobacco Co	95	51	96⅜—Aug. 9	67½—Feb. 15	83	78¼	81½
" preferred	106	95	115 —Aug. 6	100 —Feb. 11	110	109¾	110½
General Electric Co	39½	20	41⅝—Sept. 15	28⅝—May 19	33⅝	30½	32
National Lead Co	28⅝	16	44 —Sept. 10	21⅞—Feb. 16	35½	31	33½
" preferred	92¾	75	109¾—Sept. 10	88⅜—Feb. 13	104¾	101¾	103⅜
National Linseed Oil Co	21¼	11⅛	23½—Aug. 13	10 —May 17	17¼	14⅞	17
National Starch Manfg. Co	7¾	4¾	13 —Aug. 31	8 —May 5	....	....	....
Standard Rope & Twine Co	12⅛	8⅛	11¾—Jan. 19	3½—June 29	5	4⅛	4⅛
U. S. Leather Co	11⅞	5⅛	10¼—Aug. 23	8¼—May 22	7⅛	6¾	7⅛
" preferred	69⅛	41½	72 —Sept. 1	50½—Apr. 29	63½	58½	62¼
U. S. Rubber Co	29	14½	25¼—Jan. 19	10 —June 3	17½	15¼	16½
" preferred	89	65	76⅞—Jan. 5	50 —July 20	66½	63	65¼

RAILWAY, INDUSTRIAL AND GOVERNMENT BONDS.

LAST SALE, PRICE AND DATE AND HIGHEST AND LOWEST PRICES AND TOTAL SALES FOR THE MONTH.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	NOVEMBER SALES. High.	Low.	Total.
Ala. Midland 1st gold 6s..........1928	2,800,000	M & N	92	Apr. 13,95	....	....	....
Ann Arbor 1st g 4's...............1995	7,000,000	Q J	81½	Nov. 30,'97	83	80½	55,000
Atch., Top. & S. F.							
Atch Top & Santa Fe gen g 4's.1995	109,957,500	A & O	86⅝	Nov. 30,'97	87	85¾	2,154,000
″ registered..................	....	A & O	....	....	....	....	....
″ adjustment, g. 4's.....1995	51,728,000	NOV	55	Nov. 30,'97	56	52¼	2,738,000
″ registered..................	....	NOV	....	....	....	....	....
″ Equip. tr. ser. A. g. 5's 1902	1,250,000	J & J	....	....	....	....	....
″ Chic. & St. L. 1st 6's...1915	1,500,000	M & S	....	....	....	....	....
Atlan. av. of Brook'n imp. g. 5's, 1934	1,500,000	J & J	82½	Feb. 8,'96	....	....	....
Atlanta & Danville 1st g. 5's.....1950	1,238,000	J & J	97	Nov. 18,'97	97	97	5,000
Atlan. & Pac. Western div. inc...1910	10,454,000	A & O	¼	Oct. 29,'97	....	....	....
″ div. small..............1910		A & O	10	Mar. 17,'93	....	....	....
″ Central div. inc.......1922	539,000	J & D	4⅛	Aug. 5,'95	....	....	....
B. & O. 1st 6's (Parkersburg br.), 1919	3,000,000	A & O	108¼	Nov. 26,'97	108½	107½	31,000
″ 5's, gold...........1885–1925	3,021,000	F & A	76½	Nov. 29,'97	76½	76½	1,000
″ coupons off................			....	....	....	....	....
″ registered.................		F & A	83	July 30,'97	....	....	....
″ eng. ctfs of deposit.......	6,979,000	......	73	Nov. 22,'97	73	73	2,000
B. & O. con. mtge. gold 5's......1988	11,988,000	F & A	90	May 27,'97	....	....	....
″ registered.................		F & A	107½	Mar. 7,'94	....	....	....
Balti. Belt, 1st g. 5's int. gtd., 1990	6,000,000	M & N	80	Nov. 27,'97	80	79	14,000
W. Virginia & Pitts. 1st g. 5's...1990	4,000,000	A & O	111	Dec. 12,'95	....	....	....
B & O. Southwest'n 1st g. 4½'s, 1990	10,667,000	J & J	99	Nov. 19,'97	99	99	5,000
″ 1st c. g. 4½'s...........1993	10,511,000	J & J	60	June 9,'97	....	....	....
″ 1st inc. g. 5's "A" 2043	8,651,000	NOV	25	Aug. 18,'94	....	....	....
″ "B"...................2043	9,655,000	DEC	11	Feb. 8,'96	....	....	....
B. & O. Sw. Term Co. gtd g 5's...1942	1,200,000	M & N	....	....	....	....	....
Monongahela River 1st g. g., 5's 1919	700,000	F & A	104½	July 1,'92	....	....	....
Cen. Ohio. Reorg. 1st c. g. 4½'s, 1930	2,500,000	M & S	97½	Nov. 12,'97	100	97½	4,000
Ak. & Chic. Junc. 1st g. s. g. 5's..1930	1,500,000	M & N	102½	Nov. 21,'95	....	....	....
″ coupons off................	....	......	80	Nov. 1,'97	80	80	1,000
Pittsb. & Connellsville 1st g. 4's..1946	2,536,000	J & J	103½	Oct. 8,'97	....	....	....
Brooklyn City 1st con. 5's........1941	4,373,000	J & J	115	Sept. 13,'97	....	....	....
Brooklyn E. Tr. Co. cfs 1st g. 6s's, 1924	3,464,000	......	79½	Nov. 30,'97	81½	79½	49,000
″ Tr. Co. ctfs. 2d g. 5's..1915	1,246,000	......	....	....	....	....	....
Seas. & B. B. Tr. Co. cfs. 1st g. g. 5's. 1942	1,357,000	......	76	Sept. 14,'97	....	....	....
Union Ele. Tr. Co. ctfs. 1st g. g. 6's, 1937	6,124,000	......	78	Nov. 30,'97	80	78	85,000
Brooklyn Rapid Transit g. 5's...1945	5,181,000	A & O	90	Nov. 30,'97	90⅛	87½	170,000
Brunswick & Western 1s g. 4's....1938	3,000,000	J & J	74	Sept. 1,'96	....	....	....
Buffalo, Roch. & Pitts. g. g. 5's...1937	4,407,000	M & S	101	Nov. 29,'97	101	100	42,000
Rochester & Pittsburg. 1st 6's..1921	1,300,000	F & A	126½	Nov. 17,'97	126½	126½	3,000
″ cons. 1st 6's, ...1922	3,920,000	J & D	122	Oct. 27,'97	....	....	....
Clearfield & Mah. 1st g. g. 5's....1943	650,000	J & J	121¼	May 26,'96	....	....	....
Buffalo & Susquehanna 1st g. 5's, 1913	1,289,000	A & O	100	Feb. 27,'96	....	....	....
″ registered....................		A & O	....	....	....	....	....
Burlington, Cedar R. & N. 1st 5's, 1906	6,500,000	J & D	109½	Nov. 30,'97	109½	108⅛	51,500
″ con. 1st & col. tst 5's...1934	6,425,000	A & O	105	Nov. 16,'97	105	105	10,000
″ registered.................		A & O	97	Feb. 9,'93	....	....	....
Minneap's & St. Louis 1st 7's. g, 1927	150,000	J & D	140	Aug. 24,'95	....	....	....
Ced. Rap Ia. Falls & Nor. 1st 6's, 1920	825,000	A & O	104¾	Apr. 24,'97	....	....	....
″ 1st 5's..................1921	1,905,000	A & O	105	Nov. 16,'97	105	105	1,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest price and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

NAME.	Principal Due	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	NOVEMBER SALES. High.	Low.	Total.
Canada Southern 1st int. gtd 5's	1906	13,920,000	J & J	111⅛	Nov. 30,'97	111⅛	109¾	164,000
" 2d mortg. 5's	1913	5,100,000	M & S	107	Nov. 24,'97	107½	106½	34,000
" registered			M & S	106½	May 22,'97	....	....	....
Col. & Cin. Midla'd, 1st. Ext. 4½'s	1939	2,000,000	J & J	92½	Aug. 31,'92	....	....	....
Cent. R. & Bkg. Co. of Ga. c. g. 5's	1937	4,880,000	M & N	92½	Oct. 29,'97	....	....	....
Central R'y of Georgia, 1st g. 5's	1945	7,000,000	F & A	116⅛	Nov. 26,'97	116⅛	115⅞	24,000
" registered $1,000 & $5,000			F & A	....		....	....	....
" con. g. 5's	1945	16,500,600	M & N	90	Nov. 24,'97	90⅛	89⅛	25,000
" con. g. 5's, reg. $1,000 & $5,000			M & N	....		....	....	....
" 1st. pref. inc. g. 5's	1945	4,000,000	OCT 1	38⅛	Nov. 29,'97	39⅛	36	121,000
" 2d pref. inc. g. 5's	1945	7,000,000	OCT 1	13½	Nov. 29,'97	13¾	11⅛	92,000
" 3d pref. inc. g. 5's	1945	4,000,000	OCT 1	8	Nov. 30,'97	8	7⅛	3,500
" Macon & Nor. Div. 1st g. 5's	1946	840,000	J & J	93	July 19,'97	....	....	....
" Mobile div. 1st g. 5's	1946	1,000,000	J & J	95⅛	July 15,'97	....	....	....
" Mid. Ga. & Atl. div. g 5s	1947	413,000	J & J	....		....	....	....
Central Railroad of New Jersey,								
" 1st consolidated 7's	1899	3,836,000	Q J	104⅝	Oct. 13,'97	....	....	....
" convertible 7's	1902	1,167,000	M & N	114	Nov. 30,'97	114	112	4,000
" deb. 6's	1908	466,000	M & N	110	Mar. 23,'97	....	....	....
" gen. mtg. 5's	1987	41,604,000	J & J	112½	Nov. 30,'97	113½	112¼	94,000
" registered			Q J	109½	Nov. 26,'97	111	109½	49,000
Lehigh & W.-B. con. assd. 7's	1900	5,500,000	Q M	101	Nov. 29,'97	101	100½	36,000
" mortgage 5's	1912	2,887,000	M & N	87⅛	Nov. 16,'97	87⅛	85	11,000
Am. Dock & Improvm't Co. 5's	1921	4,987,000	J & J	116	Nov. 24,'97	116	115	3,000
N. J. Southern int. gtd 6's	1899	411,000	J & J	104	Nov. 13,'96	....	....	....
Central Pacific g 6's	1898	14,185,000	J & J	103	Nov. 29,'97	103	102⅛	67,000
" ext g 5s series A B C D	1898	....	J & J	102	Oct. 28,'97	....	....	....
" Speyer & Co. cfs. dep. A	1898	5,598,000	......	100	Nov. 20,'97	100	100	5,000
" " " B C D	1899	....	......	....		....	....	....
" ext g 5's series E	1898	....	J & J	....		....	....	....
" Speyer & Co. cfs. dep. E	1900	3,210,000	......	....		....	....	....
" " " F G H I	1901	....	......	....		....	....	....
" San Joaquin br. g 6's	1900	6,080,000	A & O	102½	June 19,'97	....	....	....
" gtd. g 5's	1939	11,000,000	A & O	84½	Sept. 16,'96	....	....	....
" land grant g 5's	1900	2,479,000	A & O	101	Nov. 18,'97	101	99	21,000
" Cal. & O. div. ex. g. 7's	1918	4,358,000	J & J	107½	Nov. 27,'95	....	....	....
Western Pacific bonds 6's	1899	2,735,000	J & J	103	Nov. 23,'97	103	102	113,000
North. Ry. (Cal.) 1st g. 6's, gtd.	1907	3,964,000	J & J	94	Nov. 30,'97	94	93	23,000
" 50 year m. gg. 5's	1938	4,800,000	A & O	89½	Oct. 28,'97	....	....	....
Cent. Wash. Tr. Co. cts. 1st g. 6's	1938	1,497,000	......	30	Nov. 30,'97	....	....	....
Charleston & Sav. 1st g. 7's	1936	1,500,000	J & J	108¾	Dec. 13,'96	30	30	1,000
Ches. & Ohio pur. money fd	1898	2,287,000	J & J	103½	Nov. 10,'97	103½	103½	9,000
" 6's, g., Series A	1908	2,000,000	A & O	110½	Oct. 7,'97	....	....	....
" Mortgage gold 6's	1911	2,000,000	A & O	119	Nov. 19,'97	119	118	13,000
" 1st con. g. 5's	1939	23,571,000	M & N	112½	Nov. 30,'97	112½	110⅛	130,000
" registered			M & N	109½	Sept. 17,'97	....	....	....
" Gen. m. g. 4½'s	1992	21,804,000	M & S	79	Nov. 30,'97	80	77	551,000
" registered			M & S	85	Dec. 30,'93	....	....	....
" (R. & A. d.) 1st c. g. 4's	1989	6,000,000	J & J	103¾	Nov. 29,'97	100¾	101	77,000
" 2d con. g. 4's	1989	1,000,000	J & J	91⅞	Nov. 27,'97	91⅞	91	16,000
" Craig Val. 1st g. 5's	1940	650,000	J & J	98	Nov. 21,'97	98	98	5,000
" Warm S. Val. 1st g. 5's	1941	400,000	M & S	98	Dec. 21,'93	....	....	....
" Elz. Lex. & B. S. g. g. 5's	1902	3,007,000	M & S	100⅝	Nov. 24,'97	100⅞	100	62,000
Ches. Ohio & S'thwestern m. 6's	1911	6,176,600	F & A	105⅝	Feb. 15,'95	....	....	....
" 2d mtge. 6's	1911	2,895,000	F & A	48½	Sept. 10,'95	....	....	....
Chicago & Alton s'king fund 6's	1903	1,832,000	J & J	112	Nov. 18,'97	112	112	1,000
Louisiana & Mo. Riv. 1st 7's	1900	1,785,000	F & A	107½	Nov. 18,'97	109½	107½	3,000
" 2d 7's	1900	300,000	M & N	112	June 17,'96	....	....	....
St. Louis, J. & C. 2d gtd 7's	1898	188,000	J & J	104¾	Apr. 25,'97	....	....	....
Miss. Riv. Bdge 1st s. f'd g. 6's	1912	547,000	A & O	105½	Oct. 30,'95	....	....	....
Chicago Burl. & North. 1st 5's	1926	8,241,000	A & O	107	Nov. 29,'97	107	106	15,000
Chicago, Burl. & Quincy con. 7's	1903	28,924,000	J & J	118½	Nov. 26,'97	118½	117	90,000
" 5's, sinking fund	1901	2,315,000	A & O	103	Oct. 5,'97	....	....	....
" 5's, debentures	1913	9,000,000	M & N	104¼	Nov. 30,'97	104¼	101¾	87,000
" convertible 5's	1903	15,263,900	M & S	108½	Nov. 30,'97	108½	106¼	92,000
" (Iowa div.) sink. f'd 5's	1919	2,818,000	A & O	109	June 9,'97	....	....	....
" 4's	1919	9,050,000	A & O	93⅛	Nov. 15,'97	93⅛	93	6,000
" Denver div. 4's	1922	6,141,000	F & A	98	Oct. 27,'97	....	....	....
" 4's	1921	3,300,000	M & S	88¼	Nov. 6,'93	....	....	....
" Chic. & Iowa div. 5's	1905	2,320,000	F & A	107½	Jan. 18,'96	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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NAME.	*Principal Due.*	*Amount.*	*Int's paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	NOVEMBER SALES. *High.*	NOVEMBER SALES. *Low.*	NOVEMBER SALES. *Total.*
“ Nebraska extensi'n 4's	1927	26,411,000	M & N	95⅜	Nov. 30,'97	95½	93½	291,000
“ registered			M & N	91	July 10,'97	....	....	....
“ Han. & St. Jos. con. 6's	1911	8,000,000	M & S	121	Nov. 15,'97	121	121	5,000
Chicago & E. Ill. 1st s. f'd c'y. 6's	1907	2,989,000	J & D	115	Apr. 15,'97	....	....	....
“ small bonds			J & D	112	Apr. 2,'96	....	....	....
Chic. & E. Ill. 1st con. 6's, gold	1934	2,653,000	A & O	130	Nov. 30,'97	130	126½	5,000
“ gen. con. 1st 5's	1937	9,767,000	M & N	101½	Nov. 30,'97	101⅞	100	177,000
“ registered			M & N	99½	May 14,'96	....	....	....
Chicago & Ind. Coal 1st 5's	1936	4,626,000	J & J	101½	Oct. 20,'97	....	....	....
Chicago, Indianapolis & Louisville.								
Louisv. N. Alb. & Chic. 1st 6's	1910	3,000,000	J & J	114½	Oct. 21,'97	....	....	....
Chic. Ind. & Louisv. ref. g. 5's	1947	2,846,000	J & J	85	Nov. 27,'97	85	85	1,000
“ refunding g. 6's	1947	4,400,000	J & J	95	Nov. 26,'97	95	95	51,000
Chicago, Milwaukee & St. Paul.								
Mil. & St. Paul 1st m. 8's P. D.	1898	1,671,000	F & A	102¾	Nov. 15,'97	103	102¾	2,000
“ 1st 7's $ gold, R. div.	1902	8,175,000	J&J	140	Oct. 21,'97	....	....	....
“ 1st 7's £	1902		J&J	120	Feb. 8,'94	....	....	....
“ 1st m. Iowa & D. 7's	1899	340,000	J & J	139⅝	Oct. 16,'97	....	....	....
“ 1st m. C. & M. 7's	1903	2,188,000	J & J	139¾	Nov. 15,'97	139¾	139¾	10,000
Chicago Mil. & St. Paul con. 7's	1905	10,768,000	J & J	140	Nov. 23,'97	140	140	15,000
“ 1st 7's, Iowa & D, ex	1908	3,417,000	J & J	141	Nov. 30,'97	141	139½	23,000
“ 1st 6's, Southw'n div.	1909	4,000,000	J & J	119	Nov. 23,'97	119	118¾	11,000
“ 1st 5's, La. C. & Dav.	1919	2,500,000	J & J	114¼	Sept. 15,'97	....	....	....
“ 1st So. Min. div. 6's	1910	7,432,000	J & J	119½	Nov. 26,'97	119½	118½	29,000
“ 1st H'st & Dk. div. 7's	1910	5,680,000	J & J	132½	Nov. 22,'97	132½	130	35,000
“ 5's	1910	990,000	J & J	109	Oct. 5,'97	....	....	....
“ Chic. & Pac. div. 6's	1910	3,000,000	J & J	119	Oct. 15,'97	....	....	....
“ 1st Chic. & P. W. 5's	1921	25,340,000	J & J	116⅞	Nov. 29,'97	116⅞	116⅛	44,000
“ Chic. & M. R. div. 5's	1926	3,083,000	J & J	115	Nov. 30,'97	115	113	19,000
“ Mineral Point div. 5's	1910	2,840,000	J & J	109½	Oct. 28,'97	....	....	....
“ Chic. & Lake Sup. 5's	1921	1,360,000	J & J	115½	Nov. 26,'97	115½	115½	5,000
“ Wis. & Min. div. 5's	1921	4,755,000	J & J	115	Nov. 23,'97	116½	114	27,000
“ terminal 5's	1914	4,748,000	J & J	114⅝	Nov. 29,'97	114⅝	113⅛	14,000
“ Far. & So. 6's assu	1924	1,250,000	J & J	118	Sept. 20,'94	....	....	....
“ cont. si'k. f'd 5's	1916	1,368,000	J & J	106½	July 9,'97	....	....	....
“ Dakota & Gt. S. 5's	1916	2,856,000	J & J	111½	Oct. 8,'97	....	....	....
“ g. m. g. 4's, series A	1989	21,117,000	J & J	105¼	Nov. 30,'97	105¼	103⅞	103,000
“ registered		....	Q J	94½	Dec. 11,'95	....	....	....
“ Mil. & N. 1st M. L. 6's	1910	2,155,000	J & D	123	Nov. 23,'97	123	121	16,000
“ 1st convt. 6's	1913	5,092,000	J & D	120	Sept. 10,'97	....	....	....
Chic. & Northwestern cons. 7's	1915	12,771,000	Q F	143½	Nov. 16,'97	144	142	21,000
“ coupon gold 7's	1902	12,336,000	J & D	118½	Nov. 10,'97	118½	118	21,500
“ registered d. gold 7's	1902		J & D	118⅝	Nov. 17,'97	118⅝	118⅝	5,000
“ sinking fund 6's	1879–1929	5,591,000	A & O	116	Nov. 8,'97	116	116	1,000
“ registered			A & O	115	Nov. 17,'97	115	115	10,000
“ 5's	1879–1929	7,237,000	A & O	110⅝	Nov. 29,'97	111	110¼	29,000
“ registered			A & O	108⅝	Nov. 29,'97	108⅝	108⅝	5,000
“ debenture 5's	1933	9,800,000	M & N	115⅞	Nov. 17,'97	116	115½	18,000
“ registered			M & N	112½	May 7,'97	....	....	....
“ 25 year deben. 5's	1909	6,000,000	M & N	109½	Nov. 29,'97	109½	107½	46,000
“ registered			M & N	108¾	July 13,'97	....	....	....
“ 30 year deben. 5's	1921	9,800,000	A & O	113	Nov. 26,'97	113	113	1,000
“ registered			A & O	107	Nov. 20,'95	....	....	....
“ extension 4's	1886–1926	18,632,000	F A 15	106	Nov. 30,'97	106	104¼	29,000
“ registered			F A 15	100	Nov. 10,'96	....	....	....
Escanaba & L. Superior 1st 6's	1901	720,000	J & J	107½	Nov. 28,'96	....	....	....
Des Moines & Minn. 1st 7's	1907	600,000	F & A	127	Apr. 8,'84	....	....	....
Iowa Midland 1st mortg. 8's	1900	1,350,000	A & O	116	July 9,'96	....	....	....
Chic. & Milwaukee 1st mtg. 7's	1898	1,700,000	J & J	103½	Sept. 27,'97	....	....	....
Winona & St. Peters 2d 7's	1907	1,592,000	M & N	127	Apr. 17,'96	....	....	....
Milwaukee & Madison 1st 6's	1905	1,600,000	M & S	108	Jan. 7,'96	....	....	....
Ottumwa C. F. & St. P. 1st 5's	1909	1,600,000	M & S	109	Oct. 4,'97	....	....	....
Northern Illinois 1st 5's	1910	1,500,000	M & S	108	Sept. 30,'97	....	....	....
Mil., Lake Shore & We'n 1st 6's	1921	5,000,000	M & N	134¾	Nov. 20,'97	135	134¾	22,000
“ con. deb. 5's	1907	436,000	F & A	105½	Feb. 24,'97	....	....	....
“ ext. & impt. s. f'd g. 5's	1929	4,148,000	F & A	116	Nov. 30,'97	116	115⅛	12,000
“ Michigan div. 1st 6's	1924	1,281,000	J & J	131½	Aug. 30,'97	....	....	....
“ Ashland div. 1st 6's	1925	1,000,000	M & S	134	July 22,'97	....	....	....
“ income		500,000	M & N	110¼	July 2,'96	....	....	....
Chic., Rock Is. & Pac. 6's coup.	1917	12,100,000	J & J	133	Nov. 17,'97	133⅛	131½	16,000
“ 6's registered	1917		J & J	132¼	Nov. 22,'97	133	132¼	15,000

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	November Sales. High.	November Sales. Low.	November Sales. Total.
„ exten. and collat. 5's..1934	40,381,000	J & J	107⅛	Nov. 30,'97	107⅛	105¾	312,000
„ registered..................		J & J	107	Nov. 29,'97	107	106	80,000
„ debenture 5's..........1921	4,500,000	M & S	105⅝	Nov. 30,'97	105⅝	101½	147,000
„ registered..................	....	M & S	....	....	....	....	....
Des Moines & Ft. Dodge 1st 4's.1905	1,200,000	J & J	85	Oct. 29,'97	....	....	....
„ 1st 2½'s................1905	1,200,000	J & J	70	Sept. 23,'97	....	....	....
„ extension 4 s...............	672,000	J & J	83	Mar. 15,'97	....	....	....
Keokuk & Des M. 1st mor. 5's..1923	2,750,000	A & O	103¼	Nov. 13,'97	103½	103¼	4,000
„ small bond.............1923	....	A & O	100	Apr. 15,'97	....	....	....
Chic., St.P., Minn.& Oma.con. 6's.1930	13,413,000	J & D	136½	Nov. 30,'97	136½	134½	98,000
Chic., St. Paul & Minn. 1st 6's..1918	3,000,000	M & N	129½	Nov. 26,'97	129½	129½	1,000
North Wisconsin 1st mort. 6's..1930	800,000	J & J	125	May 4,'88	....	....	....
St. Paul & Sioux City 1st 6's....1919	6,070,000	A & O	129½	Nov. 26,'97	129½	129½	1,000
Chic., Term. Tr U.S.TrCo.cfs. of prop	27,500,000	......	44	Nov. 30,'97	44	43⅜	417,000
Chic. & Wn. Ind. 1st s'k. f'd g. 6's.1919	1,062,000	M & N	106	June 22,'97	....	....	....
„ gen'l mortg. g. 6's......1932	9,652,666	Q M	119½	Oct. 28,'97	....	....	....
Chic. & West Michigan R'y 5's...1921	5,753,000	J & D	98½	Mar. 13,'93	....	....	....
„ coupons off..................	....	......	....	....	....	....	....
Cin., Ham. & Day. con. s'k. f'd 7's.1905	996,000	A & O	119	Oct. 26,'96	....	....	....
„ 2d g. 4½'s...............1937	2,000,000	J & J	103½	Mar. 13,'97	....	....	....
Cin., Day. & Ir'n 1st gtd. g. 5's..1941	3,500,000	M & N	110½	Nov. 23,'97	110½	109	14,000
City Sub. R'y, Balto. 1st g. 5's....1922	2,430,000	J & D	105⅝	Apr. 17,'95	....	....	....
Clev., Ak'n & Col. eq. and 2d g. 6's.1930	730,000	F & A	....	....	....	....	....
Clev. & Can. Tr. Co. ctfs. 1st 5's for.1917	2,000,000	......	67	Nov. 2[illegible],'97	67	67	1,000
Clev., Cin., Chic. & St.L. gen.m. 4's.1993	7,574,000	J & D	84	Oct. 14,'95	....	....	....
„ do Cairo div. 1st g. 4's..1939	5,000,000	J & J	90	Sept. 23,'97	....	....	....
St. Louis div. 1st col. trust g. 4's.1990	9,750,000	M & N	94½	Nov. 30,'97	94½	93½	27,000
„ registered..................			92	Nov. 30,'97	92	92	16,000
Sp'gfield & Col. div. 1st g. 4's...1940	1,035,000	M & S	87	Oct. 22,'95	....	....	....
White W. Val. div. 1st g. 4's....1940	650,000	J & J	83	Dec. 16,'95	....	....	....
Cin., Wab. & Mich. div. 1st g. 4's.1991	4,000,000	J & J	88½	Nov. 23,'97	88½	88½	3,000
Cin., Ind., St. L. & Chic. 1st g. 4's.1936	7,685,000	Q F	100½	Nov. 23,'97	101	100¼	33,000
„ registered..................			95	Nov. 15,'94	....	....	....
„ con. 6's................1920	731,000	M & N	104	Mar. 29,'93	....	....	....
Cin., S'dusky & Clev. con. 1st g. 5's 1928	2,571,000	J & J	114	Oct. 7,'97	....	....	....
Ind. Bloom. & W., 1st pfd. 7's..1900	1,000,000	J & J	107¼	Feb. 19,'97	....	....	....
Ohio, Ind. & W., 1st pfd. 5's....1938	500,000	Q J	....	....	....	....	....
Peoria & Eastern 1st con. 4's...1940	8,103,000	A & O	77	Nov. 19,'97	77	76	86,000
„ income 4's.............1990	4,000,000	A	21	Aug. 26,'97	....	....	....
Clev., C., C. & Ind. 1st 7's s'k. f'd.1899	3,000,000	M & N	107¼	Oct. 6,'97	....	....	....
„ consol mortg. 7's......1914	3,991,000	J & D	135	Oct. 26,'97	....	....	....
„ sink. fund 7's.........1914		J & D	119⅝	Nov. 19,'89	....	....	....
„ gen. consol 6's........1934	3,205,000	J & J	128	Nov. 26,'97	128	128	2,000
„ registered..................		J & J	....	....	....	....	....
Cin., Sp. 1st m. C.,C.,C.&Ind. 7's.1901	1,000,000	A & O	107½	Oct. 16,'97	....	....	....
Clev., Lorain & Wheel'g con. 1st 5's 1933	4,300,000	A & O	103	Aug. 27,'97	....	....	....
Clev., & Mahoning Val. gold 5's..1938	2,936,000	J & J	103	Apr. 14,'97	....	....	....
„ registered..................		Q J	....	....	....	....	....
Coeur d'Alene 1st g. 6's..........1916	360,000	M & S	104	May 5,'92	....	....	....
„ gen. 1st g. 6's.....1938	878,000	A & O	102	Jan. 2,'92	....	....	....
Col. Midld Tr. Co. ctfs. 1st g. 6's asst. 1936	5,615,000	J & D	63	Nov. 30,'97	63	61	116,000
„ Tr. Co. cfs. cn. g. 4's stm gtd. 1940	988,000	F & A	10½	Oct. 14,'97	....	....	....
„ „ assented all inst. pd....	3,900,000	......	21½	Nov. 26,'97	21½	20	17,000
Col., Hock. Val. & Tol. con. g. 5's.1931	406,000	M & S	74	Aug. 10,'97	....	....	....
„ J. P. M. & Co. eng ctf. $45 pd.	7,694,000	......	71⅛	Nov. 24,'97	73	70	82,000
„ gen. mort. g. 6's..........1904	2,000,000	J & D	52	Nov. 6,'97	52	52	1,000
„ gen. lien g. 4's..........1996	852,000	J & J	....	....	....	....	....
„ registered, $5,000............		J & J	....	....	....	....	....
Conn., Passumpsic Riv's 1st g. 4's.1943	1,900,000	A & O	102	Dec. 27,'93	....	....	....
Delaware, Lack. & W. mtge 7's..1907	3,067,000	M & S	128	Apr. 14,'97	....	....	....
Syracuse, Bing. & N. Y. 1st 7's..1906	1,966,000	A & O	125	Apr. 28,'97	....	....	....
Morris & Essex 1st m 7's.........1914	5,000,000	M & N	145	Sept. 9,'97	....	....	....
„ bonds, 7's..............1900	281,000	J & J	109	Nov. 23,'97	109	109	3,000
„ 7's..................1871-1901	4,991,000	A & O	111½	Oct. 7,'97	....	....	....
„ 1st c. gtd 7's.. 1915	12,151,000	J & D	144	Nov. 22,'97	144	144	4,000
„ registered..................		J & D	136	June 4,'93	....	....	....
N. Y., Lack. & West'n. 1st 6's...1921	12,000,000	J & J	138½	Oct. 12,'97	....	....	....
„ const. 5's...............1923	5,000,000	F & A	118½	Nov. 17,'97	118½	118½	5,000
Warren 2d 7's....................1900	750,000	A & O	113¾	Nov. 6,'95	....	....	....

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NAME.	*Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	LAST SALE. *Date.*	NOVEMBER SALES. *High.*	NOVEMBER SALES. *Low.*	NOVEMBER SALES. *Total.*
Delaware & Hudson Canal.								
" 1st Penn. Div. c. 7's	1917	5,000,000	M & S	147⅛	Aug. 31, '97	....	....	....
" reg	1917		M & S	143	May 4, '96	....	....	....
Albany & Susq. 1st c. g. 7's	1906	3,000,000	A & O	123	Nov. 15, '97	123	122¼	2,000
" registered			A & O	128⅛	Feb. 12, '94	....	....	....
" 6's	1906	7,000,000	A & O	116¾	Nov. 19, '97	116¾	116¾	3,000
" registered			A & O	116⅛	Mar. 22, '97	....	....	....
Rens. & Saratoga 1st c. 7's	1921	2,000,000	M & N	148¾	Aug. 18, '97	....	....	....
" 1st r 7's	1921		M & N	143	Nov. 18, '96	143	143	1,000
Denver Con. T'way Co. 1st g. 5's	1933	730,000	A & O	....	....	....	....	....
Denver T'way Co. con. g. 6's	1910	1,219,000	J & J	....	....	....	....	....
Metropol'n Ry Co. 1st g. g. 6's	1911	913,000	J & J	....	....	....	....	....
Denver & Rio G. 1st con. g. 4's	1936	28,465,000	J & J	90	Nov. 30, '97	90	87⅛	32,000
" 1st mortg. g. 7's	1900	6,382,500	M & N	108	Nov. 19, '97	108	108	2,000
" impt. m. g. 5's	1928	8,103,500	J & D	86	Nov. 27, '97	86	84	6,000
Des Moines Union Ry 1st g. 5's	1917	628,000	M & N	....	....	....	....	....
Detroit, Mac. & Ma. ld gt. 3½ S A.	1911	3,024,000	A & O	18	Nov. 10, '97	18	17⅞	7,000
Detroit & Mack. 1st lien g. 4s	1995	900,000	J & D	67	Mar. 24, '95	....	....	....
" g. 4s	1995	1,250,000	J & D	....	....	....	....	....
Duluth & Iron Range 1st 5's	1937	6,332,000	A & O	102¾	Nov. 27, '97	103⅛	102	29,000
" registered			A & O	101⅛	July 23, '89	....	....	....
" 2d l m 6s	1916	1,000,000	J & J	....	....	....	....	....
Duluth, Red Wing & S'n 1st g. 5's	1928	500,000	J & J	....	....	....	....	....
Duluth So. Shore & At. gold 5's	1937	4,000,000	J & J	106	Nov. 30, '97	106	103¼	17,000
Erie, 1st mortgage ex. 7's	1897	2,482,000	M & S	111	Nov. 24, '97	111	110⅛	14,000
" 2d extended 5's	1919	2,149,000	M & N	119	Oct. 5, '97	....	....	....
" 3d extended 4½'s	1923	4,618,000	M & S	112⅝	Nov. 12, '97	112¾	112⅝	3,000
" 4th extended 5's	1920	2,926,000	A & O	120⅛	Oct. 29, '97	....	....	....
" 5th extended 4's	1928	709,500	J & D	105¾	Oct. 29, '96	....	....	....
" 1st cons gold 7's	1920	16,890,000	M & S	144¼	Nov. 29, '97	144⅝	143⅛	54,000
" 1st cons. fund c. 7's	1920	3,705,977	M & S	142	Nov. 8, '94	....	....	....
Long Dock consol. 6's	1953	7,500,000	A & O	135	Aug. 17, '97	....	....	....
Buffalo, N. Y. & Erie 1st 7's	1916	2,380,000	J & D	141	Sept. 10, '97	....	....	....
Buffalo & Southwestern m 6's	1908	1,500,000	J&J	....	....	....	....	....
" small			J&J	....	....	....	....	....
Jefferson R. R. 1st gtd g 5's	1909	2,800,000	A & O	104	Oct. 25, '97	....	....	....
Chicago & Erie 1st gold 5's	1982	12,000,000	M & N	110½	Nov. 29, '97	110½	109⅛	41,000
N. Y. L. E. & W. Coal & R. R. Co. 1st g currency 6's	1922	1,100,000	M&N	....	....	....	....	....
N. Y., L. E. & W. Dock & Imp. Co. 1st currency 6's	1913	3,396,000	J&J	102	Aug. 31, '96	....	....	....
N. Y. & Greenw'd Lake gt g 5's	1946	1,452,000	M&N	105½	Oct. 2, '97	....	....	....
" small						....	....	....
Erie R.R. 1st con. g–4s prior bds	1996	30,000,000	J&J	90½	Nov. 30, '97	91⅛	89¾	439,000
" " registered			J&J	....	....	....	....	....
" " gen. lien 3-4s	1996	30,927,000	J&J	70	Nov. 27, '97	70¾	69	158,000
" " registered			J&J	....	....	....	....	....
Eureka Springs R'y 1st 6's, g	1933	500,000	F & A	65	Nov. 10, '97	65	65	3,000
Evans. & Terre Haute 1st con. 6's	1921	3,000,000	J & J	110	Sept. 14, '97	....	....	....
" 1st General g 5's	1942	2,223,000	A & O	74	Nov. 29, '97	75	70½	12,000
" Mount Vernon 1st 6's	1923	375,000	A & O	110	May 10, '93	....	....	....
" Sul. Co. Bch. 1st g 5's	1930	450,000	A & O	95	Sep. 15, '91	....	....	....
Evans. & Ind'p. 1st con. g g 6's	1926	1,591,000	J & J	112	Oct. 13, '97	....	....	....
Flint & Pere Marquette m 6's	1920	3,999,000	A & O	111	Nov. 30, '97	111	110¾	69,000
" 1st con. gold 5's	1939	2,100,000	M & N	86	Nov. 30, '97	86	84	27,000
" Port Huron d 1st g 5's	1939	3,083,000	A & O	76	Nov. 17, '97	76	76	3,000
Florida Cen. & Penins. 1st g 5's	1918	3,000,000	J & J	103	Aug. 14, '96	....	....	....
" 1st land grant ex. g 5's	1930	423,000	J & J	....	....	....	....	....
" 1st con. g 5's	1943	4,370,000	J & J	80½	May 14, '96	....	....	....
Ft. Smith U'n Dep. Co. 1st g 4½'s	1941	1,000,000	J & J	105¾	July 31, '97	....	....	....
Ft. Worth & D. C. ctfs. dep. 1st 6's	1921	8,176,000	......	69	Nov. 30, '97	70½	68	60,000
Ft. Worth & Rio Grande 1st g 5's	1928	2,863,000	J & J	57⅜	Nov. 23, '97	57¾	57¼	32,000
Gal., Harrisburgh & S. A. 1st 6's	1910	4,756,000	F & A	106	Sept. 25, '97	....	....	....
" 2d mortgage 7's	1905	1,000,000	J & D	104	Nov. 30, '97	104	102¾	5,000
" Mex. & Pac. div. 1st 5's	1931	13,418,000	M & N	91¼	Nov. 29, '97	91¼	90¼	99,000
Geo. & Ala. Ry. 1st pref. g. 5's	1945	2,250,000	A & O	103	Aug. 11, '97	....	....	....
Ga. Car. & N. Ry. 1st gtd. g. 5's	1927	5,360,000	J & J	83	June 23, '97	....	....	....
Housatonic R. con. m. g. 5's	1937	2,838,000	M & N	125¼	Feb. 6, '97	....	....	....
New Haven & Derby con. 5's	1918	575,000	M & N	115½	Oct. 15, '94	....	....	....
Houston & Texas Central R. R.								
" 1st Waco & N. 7's	1903	1,140,000	J & J	125	June 29, '92	....	....	....
" 1st g. 5's (int. gtd)	1937	7,107,000	J & J	112	Nov. 20, '97	112	110¾	23,000
" Con. g. 6's (int. gtd)	1912	3,455,000	A & O	105	June 29, '97	....	....	....
" Gen. g. 4's (int. gtd.)	1921	4,297,000	A & O	80	Nov. 30, '97	80	77	298,000

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NAME. Principal Due.	Amount.	Int'st Paid.	LAST SALE. Price.	Date.	NOVEMBER SALES. High.	Low.	Total.
Illinois Central 1st g. 4's..........1951	1,500,000	J&J	113	Nov. 23,'97	113	113	1,000
" registered................		J&J	112⅛	July 18,'97	....	....	....
" gold 3½'s..............1951	2,499,000	J&J	101	Nov. 4,'97	101	101	18,000
" registered................		J&J	97	Dec. 17,'95	....	....	....
" gold 4's................1952	15,000,000	A & O	102⅞	Nov. 23,'97	102⅞	101¾	56,000
" gold 4's regist'd.........		A & O	102¼	Aug. 25,'96	....	....	....
" gold 4's................1953	24,679,000	M & N	99⅛	Nov. 11,'97	99⅛	99⅛	2,000
" gold 4's registered........		M & N	....	....	....	....	....
" 2-10 g. 4's.............1904	4,806,000	J & J	99	Sept. 29,'97	....	....	....
" 2-10 g. 4's registered......		J & J	....	....	....	....	....
" 1st g 3s sterl. £500,000..1951	2,500,000	M & S	92⅛	July 18,'96	....	....	....
" registered................		M & S	....	....	....	....	....
" West'n Line 1st g. 4's, 1951	3,550,000	F & A	104	Nov. 6,'97	104	103¾	12,000
" registered................		F & A	....	....	....	....	....
" Cairo Bridge 4's g.....1950	3,000,000	J & D	101⅛	Sept. 10,'95	....	....	....
" registered................		......	....	....	....	....	....
Springfield div. coupon 6's.....1898	1,600,000	J & J	101¼	July 9,'97	....	....	....
Middle div. registered 5's......1921	600,000	F & A	116½	Aug. 16,'95	....	....	....
Chic., St. L. & N. O. gold 5's....1951	16,526,000	J D 15	122⅜	Oct. 14,'97	....	....	....
" gold 5's, registered........		J D 15	118¼	Apr. 1,'97	....	....	....
" Memph. div. 1st g. 4's, 1951	3,500,000	J & D	103⅜	July 28,'97	....	....	....
" registered................		J & D	....	....	....	....	....
Ind., Dec. & West. 1st g. 5's......1935	1,824,000	J & J	104	Nov. 24,'97	104	102⅛	3,000
Indiana, Ill. & Iowa 1st g. 4's....1939	800,000	J & D	86½	Oct. 27,'97	....	....	....
" 1st ext. g. 5's...........1943	500,000	M & S	94¼	Nov. 21,'95	....	....	....
Internat. & Gt. N'n 1st. 6's, gold.1919	7,954,000	M & N	118⅛	Nov. 12,'97	118⅛	118⅛	3,500
" 2d g. 5's... 1909	6,593,000	M & S	84	Oct. 5,'97	....	....	....
" 3d g. 4's.................1921	2,712,500	M & S	43	Nov. 12,'97	44	43	7,500
Iowa Central 1st gold 5's.........1938	6,322,000	J & D	100	Nov. 30,'97	102⅛	97⅝	233,000
Kansas C. & M. R. & B. Co. 1st gtd g. 5's........................1929	3,000,000	A & O	....	....	....	....	....
Kan.C.Pitt.&Gulf 1st & col. g. 5's 1923	19,706,000	A & O	81¾	Nov. 30,'97	83	78⅛	361,000
Kings Co. El. series A. 1st g. 5's..1925	3,177,000	J & J	57½	Nov. 3,'97	57⅛	57	6,000
Fulton El. 1st m. g. 5's series A..1929	1,979,000	M & S	39½	Nov. 8,'97	39½	39⅛	1,000
Lake Erie & Western 1st g. 5's...1937	7,250,000	J & J	118	Nov. 29,'97	118	116	83,000
" 2d mtge. g. 5's..........1941	2,600,000	J & J	102¾	Oct. 20,'97	....	....	....
Northern Ohio 1st gtd g 5's... 1945	2,500,000	A & O	99½	Nov. 18,'97	99⅝	99⅛	63,000
Lake Shore & Mich. Southern.							
Buffalo & Erie new b. 7's.......1898	2,276,000	A & O	102¼	Nov. 12,'97	102¼	102¼	7,500
Detroit, Mon. & Toledo 1st 7's.1906	924,000	F & A	120⅛	Oct. 22,'97	....	....	....
Lake Shore division b. 7's......1899	1,134,500	A & O	104⅛	Nov. 15,'97	104⅛	104⅛	1,000
" con. co. 1st 7's.........1900	10,778,000	J&J	111	Nov. 22,'97	111	110½	22,000
" con. 1st registered....1900		Q J	109⅝	Nov. 24,'97	109⅝	108¾	13,000
" con. co. 2d 7's.........1903	9,998,000	J&D	120⅛	Oct. 21,'97	....	....	....
" con. 2d registered....1903		J&D	120⅛	Oct. 21,'97	....	....	....
" g 3½s...................1997	22,483,000	J & D	105¼	Nov. 26,'97	105¼	104	301,000
" " registered............		J & D	105⅛	Nov. 24,'97	105⅛	104	41,000
Cin. Sp. 1st gtd L. S. & M. S. 7's.1901	1,000,000	A & O	109	Oct. 16,'97	....	....	....
Kal., A. & G. R. 1st gtd g. 5's...1938	840,000	J & J	....	....	....	....	....
Mahoning Coal R. R. 1st 5's....1934	1,500,000	J & J	116	Nov. 30,'96	....	....	....
Lehigh Val. N. Y. 1st m. g. 4½'s.1940	15,000,000	J&J	103¼	Nov. 29,'97	103¼	102⅛	64,000
" registered...................	....	J&J	....	....	....	....	....
Lehigh Val. Ter. R. 1st gtd g. 5's.1941	10,000,000	A & O	110	Nov. 26,'97	110	109⅛	23,000
" registered..................		A & O	109⅛	July 1,'97	....	....	....
Lehigh V. Coal Co. 1st gtd g. 5's.1933	10,280,000	J & J	96¼	Oct. 28,'97	....	....	....
" registered..............1933		J & J	....	....	....	....	....
Lehigh & N. Y., 1st gtd g. 4's.....1945	2,000,000	M&S	90	Nov. 19,'97	90	90	2,000
" registered................		M&S	....	....	....	....	....
Elm., Cort. & N. 1st g. 1st pfd 6's 1914	750,000	A & O	....	....	....	....	....
" " g. gtd 5's.......1914	1,250,000	A & O	101	Sept. 16,'97	....	....	....
Litchfield Car'n & W. 1st g. 5's...1916	400,000	J & J	95	Feb. 25,'93	....	....	....
Lit. Rock & M., tr. co. ctfs. for 1st g. 5's..........................1937	8,145,000	......	25	Apr. 29,'96	....	....	....
Long Island R. 1st mtg. 7's.......1898	1,121,000	M & N	101⅝	Nov. 26,'97	101⅝	101⅛	14,500
Long Island 1st cons. 5's.........1931	3,610,000	Q J	117	Oct. 25,'97	....	....	....
Long Island gen. m. 4's.........1938	3,000,000	J & D	84	Nov. 30,'97	86	86	6,000
" Ferry 1st g. 4½'s......1922	1,500,000	M & S	90	Nov. 11,'97	90	90	5,000
" g. 4's..................1932	325,000	J & D	91	Sept. 27,'97	....	....	....
" deb. g. 5's........1934	1,500,000	J & D	100	May 25,'97	....	....	....

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—N. Y. & Rock'y Beach 1st g. 5's	1927	984,000	M & S	40	Mar. 23,'96	....	....	....
" 2d m. inc.	1927	1,000,000	S	106½	July 9,'97	....	....	....
N. Y. B'kln & M. B. 1st c. g. 5's	1935	1,726,000	A & O	105	Oct. 4,'75	....	....	....
Brooklyn & Montauk 1st 6's	1911	250,000	M & S	....	....	....	....	....
" 1st 5's	1911	750,000	M & S	107½	July 16,'96	....	....	....
Long Isl. R. R. Nor. Shore Branch 1st Con. gold garn't'd 5's	1932	1,075,000	QJAN	108½	June 17,'95	....	....	....
N. Y. B. Ex. R. 1st g. g'd 5's	1943	200,000	J & J	....	....	....	....	....
Montauk Extens. gtd. g. 5's	1945	300,000	J & J	....	....	....	....	....
Louisv'e Ev. & St. Louis								
" 1st con. TrCo. ct. gold 5's	1939	3,406,000	J & J	36	Nov. 3,'97	36	36	2,000
" Gen. mtg. g. 4's	1943	2,432,000	M & S	9½	Aug. 21,'97	....	....	....
Louisville & Nashville cons. 7's	1898	7,070,000	A & O	102	Nov. 30,'97	102	101½	46,000
" Cecilian branch 7's	1907	545,000	M & S	106	Nov. 11,'97	106	106	1,000
" N. O. & Mobile 1st 6's	1930	5,000,000	J & J	121½	Nov. 30,'97	121⅝	120½	6,000
" 2d 6's	1930	1,000,000	J & J	107	Oct. 8,'97	....	....	....
" E., Hend. & N. 1st 6's	1919	2,030,000	J & D	113	Nov. 15,'97	113	113	2,000
" general mort. 6's	1930	10,248,000	J & D	119	Nov. 29,'97	119	118	26,000
" Pensacola div. 6's	1920	580,000	M & S	103½	Sept. 24,'97	....	....	....
" St. Louis div. 1st 6's	1921	3,500,000	M & S	121	July 12,'97	....	....	....
" 2d 3's	1980	3,000,000	M & S	67	May 25,'95	....	....	....
" Nash. & Dec. 1st 7's	1900	1,900,000	J & J	107½	Aug. 3,'97	....	....	....
" So. N. Ala. si'g fd. 6s	1910	1,942,000	A & O	92½	Sept. 30,'96	....	....	....
" gold 5's	1937	1,764,000	M & N	97¼	Nov. 10,'97	97¼	97¼	2,000
" Unified gold 4's	1940	14,994,000	J & J	84½	Nov. 26,'97	85	84	100,000
" registered	1940		J & J	83	Feb. 27,'93	....	....	....
" Pen. & At. 1st 6's, g. g.	1921	2,794,000	F & A	105	Nov. 30,'97	105	105	1,000
" collateral trust g. 5's	1931	5,129,000	M & N	100	Nov. 15,'97	100	98½	9,000
" L. & N. & Mob. & Montg 1st. g. 4½s	1945	4,000,000	M & S	106⅛	Sept. 10,'97	....	....	....
" N. Fla. & S. 1st g. g. 5's	1937	2,096,000	F & A	88	Oct. 29,'97	....	....	....
South & N. Ala. con. gtd. g. 5's	1936	3,673,000	F & A	92¾	Nov. 23,'97	92¾	92¾	4,000
Kentucky Cent. g. 4's	1987	6,742,000	J & J	87½	Nov. 23,'97	88¾	87¼	85,000
L. & N. Louv. Cin. & Lex. g. 4½'s	1931	3,258,000	M & N	107	Jan. 20,'97	....	....	....
Lo. & Jefferson Bdg. Co. gtd. g. 4's	1945	3,000,000	M & S	....	....	....	....	....
Louisville Railw'y Co. 1st c. g. 5's	1930	4,600,000	J & J	100⅝	Sept. 9,'92	....	....	....
Manhattan Railway Con. 4's	1990	24,065,000	A & O	94¾	Nov. 30,'97	95	93½	64,000
Metropolitan Elevated 1st 6's	1908	10,818,000	J & J	119½	Nov. 30,'97	119½	118½	5,000
" 2d 6's	1899	4,000,000	M & N	103⅛	Nov. 20,'97	103⅛	102½	40,000
Manitoba Swn. Coloniza'n g. 5's	1934	2,544,000	J & D	....	....	....	....	....
Market St. Cable Railway 1st 6's	1913	3,000,000	J & J	....	....	....	....	....
Memphis & Charlestown 6's, g.	1924	1,000,000	J & J	58	Jan. 7,'95	....	....	....
Metro. St. Ry. gen. col. tr. g. 5's	1997	12,500,000	F & A	112	Nov. 29,'97	113	109¾	718,000
B'way & 7th ave. 1st con. g. 5's	1997	7,650,000	J & D	120½	Nov. 24,'97	120½	120½	12,000
" registered			J & D	112½	May 29,'95	....	....	....
Columb. & 9th ave. 1st gtd g 5's	1993	3,000,000	M & S	118½	Nov. 30,'97	119	118½	13,000
" registered			M & S	....	....	....	....	....
Lex ave & Pav Fer 1st gtd g 5's	1993	5,000,000	M & S	119	Nov. 24,'97	119⅝	119	84,000
" registered			M & S	....	....	....	....	....
Mexican Central.								
" con. mtge. 4's	1911	58,903,000	J & J	66	Aug. 14,'97	....	....	....
" 1st con. inc. 3's	1939	17,072,000	JULY	19	Jan. 20,'96	....	....	....
" 2d 3's	1939	11,724,000	JULY	9	Jan. 30,'96	....	....	....
Mexican International 1st g. 4's	1942	14,000,000	M & S	69	Mar. 10,'97	....	....	....
Mexican Nat. 1st gold 6's	1927	11,416,000	J & D	90	Mar. 6,'95	....	....	....
" 2d inc. 6's "A"	1917	12,265,000	M & S	42⅝	Nov. 12,'96	....	....	....
" coup. stamped		....	......	....	....	....	....	....
" 2d inc. 6's "B"	1917	12,265,000	A	13	July 9,'97	....	....	....
Mexican Northern 1st g. 6's	1910	1,360,000	J & D	97	Feb. 11,'97	....	....	....
" registered			J & D	....	....	....	....	....
Michigan Cent. 1st con. 7's	1902	8,000,000	M & N	114	Nov. 26,'97	114	113¾	8,000
" 1st con. 5's	1902	2,000,000	M & N	105¾	Nov. 30,'97	105¾	105¾	1,000
" 6's	1909	1,500,000	M & S	118	May 23,'96	....	....	....
" coup. 5's	1931	3,576,000	M & S	121	Nov. 18,'97	121	121	2,009
" reg. 5's	1931		Q M	115	Apr. 29,'96	....	....	....
" mort. 4's	1940	2,600,000	J & J	106	Sept. 10,'97	....	....	....
" mtge. 4's reg.			J & J	102	Jan. 20,'96	....	....	....
Battle C. Sturgis 1st g. g. 6's	1989	476,000	J & D	....	....	....	....	....

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Mil.Elec.R.&Light con.30yr.g.5's	1926	5,500,000	F & A	....	....	....	....	....
Minneapolis & St. Louis 1st g. 7's	1927	950,000	J & D	135⅛	Aug. 4,'97	....	....	....
" 1st con. g. 5's	1934	5,000,000	M & N	105½	Nov. 19,'97	106¼	105	88,000
" Iowa ext. 1st g. 7's	1909	1,015,000	J & D	127	Nov. 22,'97	127	127	2,000
" Southw. ext. 1st g. 7's	1910	636,000	J & D	129	May 16,'96	....	....	....
" Pacific ext. 1st g. 6's	1921	1,382,000	J & A	121¼	Aug. 31,'97	....	....	....
Minneapolis & Pacific 1st m. 5's	1936	3,208,000	J & J	102	Mar. 26,'87	....	....	....
" stamped 4's pay. of int. gtd.				....	....	....	....	....
Minn., S. S. M. & Atlan. 1st g. 4's	1926	8,280,000	J & J	94	Apl. 2,'95	....	....	....
" stamped pay. of int. gtd.				89¾	June 18,'91	....	....	....
Minn., S. P. & S. S. M., 1st c. g. 4's	1938	6,710,000	J & J	....	....	....	....	....
" stamped pay. of int. gtd.				....	....	....	....	....
Minn. St. R'y 1st con. g. 5's	1919	4,050,000	J & J	97	Dec. 18,'95	....	....	....
Missouri, K. & T. 1st mtge g. 4's	1990	39,625,000	J & D	88⅛	Nov. 30,'97	88¼	85¼	787,000
" 2d mtge. g. 4's	1990	20,000,000	F & A	62⅛	Nov. 30,'97	62⅞	58½	651,000
" 1st ext gold 5's	1944	998,000	M & N	85	Oct. 12,'96	....	....	....
" of Texas 1st gtd g. 5's	1942	2,685,000	M & S	82¼	Nov. 30,'97	83⅛	79½	122,000
" Kan. C. & P. 1st g. 4's	1990	2,500,000	F & A	67	Oct. 30,'97	....	....	....
" Dal. & Waco 1st g.g. 5's	1940	1,340,000	M & N	80	Nov. 23,'97	80⅜	80	15,000
Booneville Bdg. Co. gtd. 7's	1906	599,000	M & N	....	....	....	....	....
Tebo. & Neosho 1st 7's	1903	187,000	J & D	....	....	....	....	....
Mo Kan. & East'n 1st gtd. g. 5's	1942	4,000,000	A & O	92⅛	Nov. 29,'97	92⅛	91⅛	41,000
Missouri, Pacific 1st con. g. 6's	1920	14,904,000	M & N	90¾	Nov. 24,'97	90¾	89	86,000
" 3d mortgage 7's	1906	3,828,000	M & N	105	Nov. 25,'97	105	105	10,000
" trusts gold 5's	1917	14,376,000	M & S	47	June 11,'97	....	....	....
" registered			M & S	....	....	....	....	....
" 1st collateral gold 5's	1920	7,000,000	F & A	63	Nov. 26,'97	63	63	1,000
" registered		....	F & A	....	....	....	....	....
Pacific R. of Mo. 1st m. ex. 4's	1938	7,000,000	M & S	102	Nov. 23,'97	102	101⅛	21,000
" 2d extended g. 5's	1938	2,573,000	F & A	108⅛	Nov. 26,'97	108½	107⅛	51,000
Verdigris V'y Ind. & W. 1st 5's	1926	750,000	M & S	....	....	....	....	....
Leroy & Caney Val. A. L. 1st 5's	1926	520,000	J & J	....	....	....	....	....
St. L. & I'rn. Mt. 1st ex. 4½'s	1897	4,000,000	F & A	107¾	Nov. 26,'97	107¾	107	37,000
" Ark'nsas b'nch ext 5's	1895	2,500,000	J & D	107⅛	Nov. 22,'97	107⅛	107⅛	5,000
" g. con. R.R. & l. gr. 5's	1931	18,345,000	A & O	86	Nov. 30,'97	87	82⅜	276,000
" stamped gtd gold 5's	1931	6,945,000	A & O	85	Oct. 16,'97	....	....	....
Mob. & Birm., prior lien, g. 5's	1945	374,000	J & J	....	....	....	....	....
" small		226,000	J & J	....	....	....	....	....
" inc. g. 4's	1945	700,000	J & J	....	....	....	....	....
" small		500,000	....	....	....	....	....	....
Mobile & Ohio new mort. g. 6's	1927	7,000,000	J & J	124	Nov. 17,'97	124	122	16,000
" 1st entension 6's	1927	974,000	J & D	117	Oct. 19,'97	....	....	....
" gen. g. 4's	1938	9,450,500	Q J	72	Nov. 30,'97	73	71	91,500
St. Louis & Cairo gtd g. 4's	1931	4,000,000	M & S	86	Dec. 17,'95	....	....	....
Morgan's La. & Texas 1st g. 6's	1920	1,494,000	J & J	114	Nov. 17,'97	114	114	10,000
" 1st 7's	1918	5,000,000	A & O	127⅛	Oct. 26,'97	....	....	....
Nashville, Chat. & St. L. 1st 7's	1913	6,300,000	J & J	133	Nov. 17,'97	133	132	8,000
" 2d 6's	1901	1,000,000	J & J	105¾	Nov. 9,'97	105¾	105¾	1,000
" 1st cons. g. 5's	1928	5,594,000	A & O	103¼	Nov. 30,'97	103½	102	28,000
" 1st 6's T. & Pb.	1917	300,000	J & J	....	....	....	....	....
" 1st 6's McM. M.W. & Al.	1917	750,000	J & J	108	Mar. 24,'96	....	....	....
" 1st g. 6's Jasper Branch	1923	371,000	J & J	....	....	....	....	....
O. & N. East. prior lien g. 6's	1915	1,820,000	A & O	108⅛	Aug. 13,'94	....	....	....
N. Y. Cent. & Hud. R. 1st c. 7's	1903	30,000,000	J & J	119⅝	Nov. 30,'97	119⅝	118	88,000
" 1st registered	1903		J & J	118¼	Nov. 19,'97	118¼	118⅝	50,000
" debenture 5's	1904	10,000,000	M & S	110⅛	Nov. 29,'97	110½	109¼	18,000
" debenture 5's reg.			M & S	111	July 21,'97	....	....	....
" reg. deben. 5's	1889-1904	1,000,000	M & S	109⅛	Sept. 24,'97	....	....	....
" debenture g. 4's	1905	15,000,000	J & D	104⅛	Oct. 25,'97	....	....	....
" registered			J & D	103⅛	Oct. 19,'97	....	....	....
" deb. cert. ext. g. 4's	1905	6,450,000	M & N	103	Nov. 22,'97	103⅛	102½	6,500
" registered			M & N	104¼	Aug. 3,'97	....	....	....
Harlem 1st mortgage 7's c.	1900	12,000,000	M & N	107⅞	Nov. 15,'97	107⅞	107½	7,000
" 7's registered	1900		M & N	107¾	Nov. 27,'97	107¾	107⅝	6,000
N. Jersey Junc. R. R. g. 1st 4's	1986	1,650,000	F & A	103	May 7,'97	....	....	....
" reg. certificates			F & A	....	....	....	....	....

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West Shore 1st guaranteed 4's.....	50,000,000	J & J	111⅝	Nov. 30,'97	111⅞	109¼	263,000
• registered.................		J & J	111½	Nov. 30,'97	111⅝	108⅞	65,000
Beech Creek 1st. g. gtd. 4's.....1936	5,000,000	J & J	108½	Nov. 16,'97	108½	108½	2,000
• registered		J & J	105½	June 12,'96	....	....	....
• 2d gtd. 5's..............1936	500,000	J & J	....		....	....	....
• registered	....	J & J	....		....	....	....
Clearfield Bit. Coal Corporation, 1st s. f. int. gtd g. 4's ser. A. 1940	770,000	J & J	86	Nov. 15,'97	86	86	3,000
• small bonds series B......	33,100	J & J	....		....	....	....
Gouv. & Oswega. 1st gtd g. 5's.1942	300,000	J & D	....		....	....	....
R. W. & Og. con. 1st ext. 5's...1922	9,081,000	A & O	119	Nov. 23,'97	120	118⅝	4,000
coup. g. bond currency..........		A & O	....		....	....	....
Nor. & Montreal 1st g. gtd 5's..1916	130,000	A & O	....		....	....	....
R. W. & O. Ter. R. 1st g. gtd 5's.1918	375,000	M & N	....		....	....	....
Oswego & Rome 2d gtd gold 5's.1915	400,000	F & A	110	Oct. 16,'94	....	....	....
Utica & Black River gtd g. 4's..1922	1,800,000	J & J	107½	Oct. 14,'97	....	....	....
Mohawk & Malone 1st gtd g. 4's.1991	2,500,000	M & S	100	Mar. 14,'94	....	....	....
Carthage & Adiron 1st gtd g. 4's1981	1,100,000	J & D	....		....	....	....
N. Y. & Putnam 1st gtd g. 4's..1993	4,000,000	A & O	103	May 22,'96	....	....	....
N. Y. & Northern 1st g. 5's.....1927	1,200,000	A & O	122½	Sept. 24,'97	....	....	....
N.Y., Chic. & St. Louis 1st g. 4's.1937	19,425,000	A & O	106½	Nov. 30,'97	106½	103¾	154,000
• registered.................		A & O	103	Nov. 4,'97	103	103	1,000
N. Y. & New England 1st 7's......1905	6,000,000	J & J	123	June 16,'97	....	....	....
• 1st 6's....................1905	4,000,000	J & J	114	May 27,'97	....	....	....
N. Y., N. Haven & H. 1st reg. 4's.1903	2,000,000	J & D	104½	Oct. 7,'97	....	....	....
• con. deb. receipts.....$1,000	15,007,500	A & O	140	Nov. 22,'97	140	138¾	8,000
• small certifs............$100	1,430,000	......	140	Nov. 19,'97	140	137½	1,300
N.Y., Ontario & W'n con. 1st g. 5's1939	5,600,000	J & D	109¾	Nov. 29,'97	109¾	108½	41,500
• Refunding 1st g. 4's.....1992	8,375,000	M & S	96⅝	Nov. 29,'97	97	95¾	82,000
• Registered ......$5,000 only.	....	M & S	83⅝	Aug. 25,'92	....	....	....
N. Y., Sus. & W. 1st refunded 5's.1937	3,750,000	J & J	105⅛	Nov. 27,'97	105⅛	105⅛	2,000
• 2d mortg. 4½'s........1937	453,000	F & A	84	Oct. 7,'97	....	....	....
• gen. g. 5's.............1940	2,547,000	F & A	86¾	Nov. 24,'97	87	84	164,000
• term. 1st mtg. g. 5's...1843	2,000,000	M & N	108½	Nov. 12,'97	108½	108½	1,000
• registered...........$5,000		M & N	....		....	....	....
Wilkesb. & East. 1st gtd g. 5's..1942	3,000,000	J & D	95½	Nov. 30,'97	96	94	63,000
Midland R. of N. Jersey 1st 6's.1910	3,500,000	A & O	120	Nov. 23,'97	120	117	62,000
N.Y., Texas & Mexico g. 1st 4's..1912	1,442,500	A & O	....		....	....	....
N.P. 1st m.R.R.&L.G.S.F.g.c.6's..1921	11,736,000	J & J	118	Nov. 27,'97	120¾	117	37,000
• registered..................		J & J	118	Nov. 23,'97	118	117¼	18,000
St. Paul & N. Pacific gen 6's....1923	7,985,000	F & A	128	Oct. 29,'97	....	....	....
• registered certificates....		Q F	126	Nov. 3,'97	126	126	25,000
N. P. Ry prior ln reg.&ld.gt.g.4's.1997	79,564,500	Q J	92½	Nov. 30,'97	92¼	90	1,935,000
• registered..................		Q J	91½	Nov. 11,'97	91½	91½	500
• gen. lien g. 3's..........2047	56,000,000	Q F	59½	Nov. 30,'97	59½	56⅞	1,590,000
• registered..................		Q F	....		....	....	....
Nor. Pacific Term. Co. 1st g. 6's..1933	3,930,000	J & J	104	Nov. 24,'97	105	103½	81,000
Norfolk & Southern 1st g. 5's....1941	750,000	M & N	108	June 26,'97	....	....	....
Norfolk & Western gen. mtg. 6's.1931	7,283,000	M & N	122	Sept. 27,'97	....	....	....
• New River 1st 6's........1932	2,000,000	A & O	120½	Oct. 29,'97	....	....	....
• imp'ment and ext. 6's...1934	5,000,000	F & A	97	Feb. 19,'94	....	....	....
• coupons off..................	....	......	....		....	....	....
• Sci'o Val & N.E. 1st g. 4's.1989	5,000,000	J & N	80¼	Nov. 29,'97	83	80¼	19,000
• C. C. & T. 1st g. t. g g 5's1922	600,000	J & J	101	Feb. 23,'97	....	....	....
Norfolk & West. Ry 1st con. g. 4s.1996	23,199,400	A & O	76⅞	Nov. 30,'97	77⅝	76	209,500
• registered.................		A & O	....		....	....	....
• small bonds................		A & O	....		....	....	....
Ogdb'g & L. Chapl. 1st con. 6's...1920	3,500,000	A & O	49	Apr. 13,'96	....	....	....

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Ogdensburg & Lake Chapl. inc..1920	800,000	O	....	....	....	....	....
• inc......................small	200,000	O	82	Feb. 26,'87	....	....	....
Ohio & Miss. con. skg. fund 7's...1898	3,485,000	J & J	103	Nov. 18,'97	103¾	103	10,000
• consolidated 7's.........1898	3,066,000	J & J	102⅝	Nov. 6,'97	102⅝	102⅛	17,000
• 2d consolidated 7's......1911	2,952,000	A & O	120	June 21,'97	....	....	....
• 1st Springf'd d. 7's......1905	1,984,000	M & N	101½	Nov. 18,'97	101½	101½	3,000
• 1st general 5's...........1932	405,000	J & D	98	Apr. 2,'92	....	....	....
Ohio River Railroad 1st 5's.......1936	2,000,000	J & D	105	Nov. 15,'97	105	105	5,000
• gen. mortg. g 6's........1937	2,428,000	A & O	85	Dec. 16,'96	....	....	....
Ohio Southern 1st mortg. 6's....1921	3,924,000	J & D	80	Nov. 19,'97	80	77	3,000
• gen. mortg. g 4's........1921	1,548,000	M & N	14	Nov. 12,'97	14	14	1,000
• gen. eng. Trust Co. certs...	1,255,000	......	9	July 16,'97	....	....	....
Omaha & St. Lo. 1st g 4's..........1901	2,376,000	J & J	82½	Nov. 26,'97	83	76	81,000
Oregon & California 1st g 5's....1927	18,842,000	J & J	72½	June 11,'97	....	....	....
Oregon Improvement Co. 1st 6's.1910	254,000	J & D	108	Sept. 21,'97	....	....	....
• eng. Tr. Co. ctfs. of dep.....	3,717,000	......	102	Nov. 29,'97	103	102	75,000
• • stamped int. paid......	....	......	....	....	....	....	....
• con. mortg. g 5's........1939	652,000	A & O	32½	Aug. 24,'97	....	....	....
• Trust Co. reor cts 3d ins pd.	5,897,000	......	42¼	Nov. 29,'97	42⅛	42	48,000
Oregon Ry. & Nav. 1st s. f. g. 6's..1909	4,451,000	J & J	112½	Nov. 23,'97	112½	111½	5,000
Oregon R. R. & Nav. Co. con. g 4's.1946	15,174,000	J & D	94¼	Nov. 30,'97	94¼	92½	307,000
Oregon Short Line 1st g. 6's......1922	13,651,000	F & A	121¼	Nov. 29,'97	121¼	119	187,000
Utah & Northern 1st 7's........1908	1,031,000	J & J	118½	Aug. 5,'97	....	....	....
• g. 5's..................1926	1,877,000	J & J	102	May 24,'94	....	....	....
Oreg. Short Line 1st con. g. 5's.1946	10,369,500	J & J	94⅛	Nov. 30,'97	94⅝	91	524,000
• non-cum. inc. A 5's.....1946	7,336,000	SEPT.	56¾	Nov. 27,'97	57¼	52	124,500
• non-cum. inc. B.&col. trust	14,018,000	OCT.	37¼	Nov. 27,'97	38¾	36	94,000
Panama s. f. subsidy g 6's........1910	1,782,000	M & N	101½	Dec. 21,'91	....	....	....
Pennsylvania Railroad Co.							
Penn. Co.'s gtd. 4½'s, 1st.......1921	19,467,000	J & J	114⅛	Nov. 30,'97	114½	113⅝	28,000
• reg....................1921		J & J	114⅛	Nov. 23,'97	114⅛	112⅝	13,000
Pitts., C. C. & St. Louis con. g 4½'s							
• Series A..............1940	10,000,000	A & O	109	Oct. 21,'97	....	....	....
• Series B..............1942	10,000,000	A & O	110⅛	Nov. 27,'97	110⅛	110⅛	17,000
• Series C..............1942	2,000,000	M & N	105	Jan. 16,'97	....	....	....
• Series D gtd. 4's......1945	4,863,000	M & N	102	Oct. 9,'97	....	....	....
Pitts., C. & St. Louis 1st c. 7's..1900	6,863,000	F & A	111¼	July 2,'97	....	....	....
• 1st reg. 7's............1900		F & A	109¼	Apr. 23,'97	....	....	....
Pitts., Ft. Wayne & C. 1st 7's..1912	2,917,000	J & J	142	Nov. 16,'97	142	142	1,000
• 2d 7's..................1912	2,546,000	J & J	141½	Nov. 30,'97	141½	141½	2,500
• 3d 7's..................1912	2,000,000	A & O	126	Aug. 26,'95	....	....	....
Chic., St. Louis, & P. 1st c. 5's..1932	1,506,000	A & O	113	May 14,'96	....	....	....
• registered..................	....	A & O	110	May 3,'92	....	....	....
Cleve. & Pitts. con. s. fund 7's..1900	1,505,000	M & N	109	Nov. 6,'97	109	109	2,000
• Series A...............1942	3,000,000	J & J	113	Apr. 18,'95	....	....	....
• 4½ Series B...........1942	1,561,000	A & O	....	....	....	....	....
St. Louis, V. & T. H. 2d 7's......1898	1,000,000	M & N	101	Nov. 9,'97	101	101	2,000
• 2d gtd. 7's.............1898	1,600,000	M & N	100	Nov. 25,'96	....	....	....
G. R. & Ind. Ex. 1st gtd. g 4½ g 1941	4,366,000	J & J	107	May 18,'96	....	....	....
Allegh. Valley gen. gtd. g. 4's..1942	5,389,000	M & S	102	Nov. 10,'97	102	102	5,000
Newp. & Cin. Bge Co. gtd g. 4's..1945	1,400,000	J & J	....	....	....	....	....
Penn. RR. Co. 1st Rl Est. g 4's...1923	1,675,000	......	108	May 12,'97	....	....	....
con. sterling gold 6 per cent...1905	22,762,000	J & D	....	....	....	....	....
con. currency, 6's registered...1905	4,718,000	Q M 15	....	....	....	....	....
con. gold 5 per cent............1919	4,998,000	M & S	....	....	....	....	....
• registered..................		Q Mch	....	....	....	....	....
con. gold 4 per cent............1943	3,000,000	M & N	....	....	....	....	....
con. Clev. & Mar. 1st gtd g. 4½'s 1935	1,250,000	M & N	111	July 8,'97	....	....	....
U'd N. J. RR. & Can Co. g 4's...1944	5,646,000	M & S	114¼	Oct. 22,'97	....	....	....
Del. R. RR. & BgeCo 1stgtdg. 4's, 1936	1,300,000	F & A	....	....	....	....	....
Peoria, Dec. & Evansville 1st 6's.1920	327,000	J & J	103¼	Nov. 18,'97	103¼	103	10,000
• eng. Trust Co. ctfs..........	960,000	......	103	Nov. 10,'97	103	103	3,000
• Evansville div. 1st 6's..1920	499,000	M & S	102¼	Nov. 30,'97	102¼	102⅛	3,000
• eng. Trust Co. ctfs..........	971,000	......	95¾	Nov. 29,'97	96¼	95½	6,000
• Tr. Co. ctfs. 2d mort 5's.1926	1,851,000	M & N	13	Nov. 18,'97	13	13	21,000

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Peoria & Pekin Union 1st 6's	1921	1,500,000	Q F	112	Mar. 8,'97	....	....	....
" 2d m 4½'s	1921	1,499,000	M & N	85	Nov. 24,'97	85	85	10,000
Pine Creek Railway 6's	1932	3,500,000	J & D	137	Nov. 17,'93	137	137	3,000
Pittsburg, Clev. & Toledo 1st 6's	1922	2,400,000	A & O	108⅛	Apr. 5,'93	....	....	....
Pittsburg, Junction 1st 6's	1922	1,440,000	J & J	124	Mar. 12,'96	....	....	....
Pittsburg & L. E. 2d g. 5's ser. A	1928	2,000,000	A & O	112	Mar. 25,'93	....	....	....
Pittsburg, McK'port & Y. 1st 6's	1932	2,250,000	J & J	117	May 31,'89	....	....	....
{ " 2d g. 6's	1934	900,000	J & J	....	....	....	....	....
{ McKspt & Bell. V. 1st g. 6's	1918	600,000	J & J	....	....	....	....	....
Pittsburg, Pains. & Fpt. 1st g. 5's	1916	1,000,000	J & J	95½	Apr. 2,'95	....	....	....
Pitts., Shena'go & L. E. 1st g. 5's	1940	3,000,000	A & O	105½	Nov. 30,'97	105½	102¼	43,000
" 1st cons. 5's	1943	786,000	J & J	98	July 14,'97	....	....	....
Pittsburg & West'n 1st gold 4's	1917	9,700,000	J & J	77	Nov. 29,'97	77	76	34,000
" Mort. g. 5's	1891-1941	3,500,000	M & N	83⅛	Mar. 1,'97	....	....	....
Pittsburg, Y & Ash. 1st cons. 5's	1927	1,562,000	M & N	....	....	....	....	....
Reading Co. gen. g. 4's	1997	} 58,668,000	J & J	84½	Nov. 30,'97	84¾	82½	878,000
" registered		}	J & J	....	....	....	....	....
Rio Grande West'n 1st g. 4's	1939	15,200,000	J & J	81¼	Nov. 30,'97	81¾	81	188,000
Rio Grande Junc'n 1st gtd. g. 5's	1939	1,850,000	J & D	90	Oct. 21,'97	....	....	....
Rio Grande Southern 1st g. 3-4	1940	4,510,000	J & J	63½	Jan. 15,'97	....	....	....
Salt Lake City 1st g. sink fu'd 6's	1913	297,000	J & J	....	....	....	....	....
St. Jo. & Gr. Isl. 1st g. 2.342	1947	3,500,000	J & J	68½	Nov. 30,'97	68½	67⅞	73,000
St. Louis, A. & T. H. 1st 2T. g. 5's	1914	}	J & D	106⅛	Nov. 22,'97	106⅛	105¼	4,000
" registered		} 2,200,000	J & D	....	....	....	....	....
{ Belleville & Carodt 1st 6's	1923	485,000	J & D	115	June 22,'96	....	....	....
{ St. Louis, South. 1st gtd. g. 4's	1331	550,000	M & S	90	Nov. 12,'97	90	90	1,000
{ " 2d inc. 5's	1931	126,000	M & S	72½	Nov. 25,'91	....	....	....
{ " 1st con. 5's	1939	899,000	M & S	....	....	....	....	....
{ Carbond'e & Shawt'n 1st g. 4's	1932	250,000	M & S	....	....	....	....	....
St. Louis & San F. 2d 6's, Class A	1906	500,000	M & N	115	June 12,'97	....	....	....
{ " 2d g. 6's, Class B	1906	2,766,500	M & N	114¼	Nov. 15,'97	114¼	114¼	10,000
{ " 2d g. 6's, Class C	1906	2,400,000	M & N	114¼	Nev. 19,'97	114¼	114¼	500
{ " 1st g. 6's P. C. & O.	1919	1,035,000	F & A	118	May 23,'92	....	....	....
{ " gen. g. 6's	1931	7,807,000	J & J	117⅛	Nov. 30,'97	117⅛	115	116,000
{ " gen. g. 5's	1931	12,293,000	J & J	103⅛	Nov. 30,'97	103⅛	100¾	369,000
{ " 1st Trust g. 5's	1987	1,099,000	A & O	88	Nov. 6,'97	88	88	1,000
{ Ft. Smith & Van B. Bdg. 1st 6's	1910	319,000	A & O	105	Oct. 4,'96	....	....	....
{ Kansas, Midland 1st g. 4's	1937	1,608,000	J & D	....	....	....	....	....
{ St. Louis & San F. R. R. g. 4's	1996	6,388,000	J & D	73⅞	Nov. 30,'97	74	70½	445,000
St. Louis S. W. 1st g. 4's Bd. ctfs.	1989	20,000,000	M & N	72½	Nov. 29,'97	73½	70⅝	150,000
" 2d g. 4's inc. Bd. ctfs.	1989	8,000,000	J & J	27⅞	Nov. 18,'97	27⅞	27	41,000
St. Paul City Ry. Cable con. g. 5's	1937	2,480,000	J&J15	90	Nov. 8,27	90	90	5,000
" gtd. gold 5's	1937	1,138,000	J & J	90	Mar. 20,'96	....	....	....
St. Paul & Duluth 1st 5's	1913	1,000,000	F & A	114	Aug. 24,'94	....	....	....
" 2d 5's	1917	2,000 000	A & O	106	Nov. 29,'97	106	104½	23,000
St. Paul, Minn. & Manito'a 2d 6's	1909	8,000,000	A & O	120	Nov. 22,'97	120	119	22,000
{ " Dakota ext'n 6's	1910	5,676,000	M & N	120¼	Nov. 26,'97	120¼	119	6,000
{ " 1st con. 6's	1933	} 13,344,000	J & J	128½	Nov. 26,'97	128½	126	6,000
{ " 1st con. 6's, registered		}	J & J	120	Aug. 19,'95	....	....	....
{ " 1st c. 6's, red'd to 4½'s		} 21,196,000	J & J	107½	Nov. 29,'97	107½	106	10,000
{ " 1st cons. 6's register'd		}	J & J	105	Nov. 4,'95	....	....	....
{ " Mont. ext'n 1st g. 4's	1937	} 7,805,000	J & D	94	Nov. 29,'97	94¼	93½	13,000
{ " registered		}	J & D	89½	Apr. 23,'97	....	....	....
{ Minneapolis Union 1st 6's	1922	2,150,000	J & J	126	Sept. 10,'97	....	....	....
{ Montana Cent. 1st 6's int. gtd.	1937	} 6,000,000	J & J	122½	Oct. 27,'97	....	....	....
{ " 1st 6's, registered		}	J & J	115	Apr. 24,'97	....	....	....
{ " 1st g. g. 5's	1937	} 2,700,000	J & J	106	Nov. 27,'97	106½	106	7 000
{ " registered		}	J & J	....	....	....	....	....
{ Eastern Minn, 1st d. 1st g. 5's	1908	} 4,700,000	A & O	107	Nov. 9,'97	107¼	107	11,000
{ " registered		}	A & O	....	....	....	....	....
{ Willmar & Sioux Falls 1st g. 5's	1938	} 3,625,000	J & D	111	Nov. 23,'97	111	110	20,000
{ " registered		}	J & J	....	....	....	....	....
San Ant. & Ara. Pass 1st g. g. 4's	1943	18,886,000	J & J	60¾	Nov. 30,'97	60¾	59	384,000

BOND QUOTATIONS.—Last sale, price and date: highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

Name.	Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	November Sales. High.	November Sales. Low.	November Sales. Total.
San Fran. & N. Pac. 1st s. f. g. 5's	1919	3,872,000	J & J	100½	Oct. 20,'97	....	....	....
Sav. Florida & Wn. 1st c. g. 6's	1934	4,056,000	A & O	106⅝	Aug. 2,'97	....	....	....
• 1st g. 5's	1934	1,780,000	A & O	104½	Oct. 18,'97	....	....	....
Seaboard & Roanoke 1st 5's	1926	2,500,000	J & J	98	Apr. 18,'96	....	....	....
Seat L.S.&.E.Tr.Co.cts.1st gtg.6's	1931	4,991,000	F & A	40	Aug. 27,'97	....	....	....
• assessment paid			F & A	43½	Apr. 28,'96	....	....	....
Sodus Bay & Sout'n 1st 5's, gold	1924	500,000	J & J	105	Sept. 4,'86	....	....	....
South Caro'a & Georgia 1st g. 5's	1919	5,250,000	M & N	94	Nov. 30,'97	94	92	35,000
South'n Pac. of Ariz. 1st 6's	1909-1910	10,000,000	J & J	103	Nov. 30,'97	103	100	135,000
South. Pac. of Cal. 1st g 6's	1905-12	30,577,500	A & O	108	Nov. 16,'97	108	108	8,000
• 1st con. gtd. g 5's	1937	19,611,000	M & N	93	Nov. 29,'97	93	90	108,000
Austin & Northw'n 1st g 5's	1941	1,920,000	J & J	84½	Nov. 29,'97	84¾	83½	104,000
So. Pacific Coast 1st gtd. g. 4's	1937	5,500,000	J & J	....	....	....	....	....
So. Pacific of N. Mex. c. 1st 6's	1911	4,180,000	J & J	108¼	Nov. 27,'97	108¼	106¾	108,000
Southern Railway 1st con. g 5's	1994	26,962,000	J & J	92¼	Nov. 30,'97	92½	89¾	479,000
• registered			J & J	....	....	....	....	....
East Tenn. reorg. lien g 4's	1938	4,500,000	M & S	92½	Nov. 30,'97	92½	91½	23,000
• registered			M & S	....	....	....	....	....
Alabama Central, 1st 6's	1918	1,000,000	J & J	112¼	Aug. 17,'97	....	....	....
Atl. & Char. Air Line, income	1900	750,000	A & O	104	May 24,'95	....	....	....
Col. & Greenville, 1st 5-6's	1916	2,000,000	J & J	117	Nov. 17,'97	117	114½	71,000
East Tenn., Va. & Ga. 1st 7's	1900	3,123,000	J & J	109½	Nov. 26,'97	109½	109	17,000
• divisional g 5's	1930	3,106,000	J & J	115	Nov. 12,'97	116	115	8,000
• con. 1st g 5's	1956	12,770,000	M & N	109¼	Nov. 26,'97	109½	108½	47,000
Ga. Pacific Ry. 1st g 5-6's	1922	5,660,000	J & J	120	Nov. 8,'97	120	120	20,000
Knoxville & Ohio, 1st g 6's	1925	2,000,000	J & J	115	Nov. 12,'97	115½	114¾	27,000
Rich. & Danville, con. g 6's	1915	5,597,000	J & J	124½	Nov. 29,'97	124½	124	6,000
• equip. sink. f'd g 5's	1909	940,000	M & S	101	Nov. 2,'97	101	101	2,000
• deb. 5's stamped	1927	3,368,000	A & O	100	Nov. 4,'97	100	100	5,000
Vir. Midland serial ser. A 6's	1906	600,000	M & S	....	....	....	....	....
• small			M & S	....	....	....	....	....
• ser. B 6's	1911	1,900,000	M & S	....	....	....	....	....
• small			M & S	....	....	....	....	....
• ser. C 6's	1916	1,100,000	M & S	....	....	....	....	....
• small			M & S	....	....	....	....	....
• ser. D 4-5's	1921	950,000	M & S	....	....	....	....	....
• small			M & S	....	....	....	....	....
• ser. E 5's	1926	1,775,000	M & S	....	....	....	....	....
• small			M & S	....	....	....	....	....
• ser. F 5's	1931	1,310,000	M & S	....	....	....	....	....
Virginia Midland gen. 5's	1936	2,392,000	M & N	108	Nov. 18,'97	108	108	1,000
• gen. 5's. gtd. stamped	1926	2,466,000	M & N	102¾	Nov. 17,'97	102¾	102¾	12,000
W. O. & W. 1st cy. gtd. 4's	1924	1,025,000	F & A	84	Aug. 10,'97	....	....	....
W. Nor. C. 1st con. g 6's	1914	2,531,000	J & J	115	Nov. 17,'97	115	115	2,000
Staten Island Ry 1st gtd. g 4½s	1943	500,000	J & D	....	....	....	....	....
Sunbury & Lewiston 1st g. 4's	1936	500,000	J & J	....	....	....	....	....
Ter. R. R. Assn. St. Louis 1g 4½'s	1939	7,000,000	A & O	111½	Sept. 28,'97	....	....	....
• 1st con. g. 5's	1894-1944	4,500,000	F & A	108	Nov. 29,'97	108	107½	16,000
St. L. Mers. bdg. Ter. gtd g. 5's	1930	3,500,000	A & O	103	Oct. 27,'96	....	....	....
Terre Haute Elec. Ry. gen. g 6's	1914	444,000	Q JAN	105⅜	Dec. 18,'95	....	....	....
Texas & New Orleans 1st 7's	1905	1,620,000	F & A	111	Mar. 1,'97	....	....	....
• Sabine d. 1st 6's	1912	2,575,000	M & S	106¼	Nov. 17,'97	106¼	106¼	3,000
• con. m. g 5's	1943	1,620,000	F & A	98	Nov. 30,'97	98	96¾	111,000
Tex. & Pacific, East div. 1st 6's, fm. Texarkana to Ft. W'th	1905	3,784,000	M & S	107	Nov. 17,'97	107	107	5,000
• 1st gold 5's	2000	21,049,000	J & D	97¾	Nov. 29,'97	97¾	94½	380,000
• 2d gold income, 5's	2000	23,227,000	MAR.	28½	Nov. 30,'97	28½	25¼	1,206,000
Third Avenue 1st g 5's	1937	5,000,000	J & J	123½	Nov. 13,'97	123½	123½	18,000
Toledo & Ohio Cent. 1st g 5's	1935	3,000,000	J & J	104	Nov. 29,'97	104	101½	18,000
• 1st M. g 5's West. div	1935	2,500,000	A & O	104	Sept. 16,'97	....	....	....
• gen. g. 5's	1935	1,500,000	J & D	....	....	....	....	....
• Kanaw & M. 1st g. g. 4's	1990	2,340,000	A & O	75	Nov. 29,'97	75	75	2,000
Toledo, Peoria & W. 1st g 4's	1917	4,800,000	J & D	71	Nov. 23,'97	71	71	1,000
Tol., St.L.&K.C. Tr. Rec. 1st g 6's	1916	8,234,000	M & N	83½	Nov. 29,'97	83½	80	91,000

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

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Name. Principal Due.	Amount.	Int'st Paid.	Last Sale. Price.	Last Sale. Date.	November Sales. High.	November Sales. Low.	November Sales. Total.
Ulster & Delaware 1st c. g 5's....1928	1,852,000	J & D	103	Nov. 27,'97	103	101	10,000
Union Pacific 1st g. 6's............1896	11,604,000	J & J	102¼	Nov. 1,'97	102¼	102¼	4,000
" g. 6's....................1897		J & J	102¼	Nov. 23,'97	102¼	102	9,000
" g. 6's....................1898		J & J	102	Nov. 15,'97	102¾	102	13,000
" g. 6's....................1899		J & J	102⅜	Nov. 20,'97	102⅜	102⅝	1,000
" g. 6's Tr.Co.cfs.ex mat cps 1896....................	15,685,000	......	110½	Nov. 30,'97	111	109½	85,000
" g.6's Tr.Co. cfs.ex mat cps 1897....................		......	110½	Nov. 27,'97	110½	109½	18,000
" g.6's Tr.Co. cfs. ex mat cps 1898....................		......	109½	Nov. 15,'97	109½	109½	4,000
" g. 6's Tr.Co. cfs.ex mat cps 1899....................		......	114½	Oct. 22,'97	....	....	....
" collat. trust 6's...........	3,983,000	J & J	102	Oct. 5,'97	....	....	....
" col. trust g. 5's........1907	4,970,000	J & D	83	Aug. 31,'97	....	....	....
" col. Tr.Co. cts.g. 4½'s.1918	2,000,000	M & N	47½	Oct. 20,'97	....	....	....
" collat. Tr. 6's g. notes.1902	8,150,000	F & A	103	Sept. 15,'97	....	....	....
" col.Tr. 6's g.nts. 62½ p.pd.	....	......	42	Nov. 29,'97	42	40½	233,000
Tr. Co. ctfs. Ext. sink'g f'd g 8's.1899	1,391,000	M & S	110½	Nov. 29,'97	111½	109	137,000
Kansas Pacific 1st 6's...........1895	1,436,000	F & A	111¼	June 7,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps	805,000	......	110½	Oct. 23,'97	....	....	....
" 1st 6's..................1896	1,990,000	J & D	114	Sept. 29,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps	2,073,000	......	111½	Oct. 23,'97	....	....	....
" Denver div. assd. 6's..1899	2,836,000	M & N	120½	Oct. 5,'97	....	....	....
" eng.Tr.Co. cfs. ex mat cps	3,051,000	......	110	Nov. 30,'97	110	110	5,000
" Tr.Co. ctfs. 1st con. 6's 1919	11,474,000	......	89	Nov. 27,'97	90⅝	83	762,000
Cent. Br. Un. Pac. f'd cpns 7's.1895	630,000	M & N	96	June 22,'93	....	....	....
Atch., Colo. & Pac., 1st 6's......1905	4,070,000	Q F	35	Nov. 30,'97	35	30	4,000
U. P., Lin. & Colo. 1st gtd g. 5's.1918	4,480,000	A & O	32	Oct. 2,'97	....	....	....
U.P. Den.&G.T.Co.cf.1st c.g.5's.1939	15,288,000	J & D	48½	Nov. 30,'97	48½	45	343,000
Wabash R.R. Co., 1st gold 5's....1939	31,664,000	M & N	105¾	Nov. 30,'97	105¾	105	450,000
" 2d mortgage gold 5's..1939	14,000,000	F & A	78¾	Nov. 29,'97	79	78	59,000
" deben. mtg series A..1939	3,500,000	J & J	....	....	....	....	....
" series B................1939	25,740,000	J & J	27	Nov. 20,'97	28	26	37,000
" 1st g.5's Det.& Chi.ex.1940	3,500,000	J & J	97½	Nov. 19,'97	99½	97½	6,000
St. L., Kan. C. & N. St. Chas. B. " 1st 6's..................1908	1,000,000	A & O	111	July 20,'97	....	....	....
Western N.Y. & Penn. 1st g. 5's..1937	10,000,000	J & J	108½	Nov. 30,'97	108½	107¼	25,000
" gen g. 2-3-4's............1943	10,000,000	A & O	46	Nov. 8,'97	46	46	2,000
" inc. 5's.................1943	10,000,000	Nov.	12	Nov. 30,'97	12	12	6,000
West Chic. St. 40 yr. 1st cur. 5's. 1928	3,969,000	M & N	....	....	....	....	....
" 40 years con. g. 5's......1936	6,031,000	M & N	100½	Nov. 20,'97	100½	100½	25,000
West Va. Cent'l & Pac. 1st g. 6's.1911	3,000,000	J & J	108	Feb. 18,'96	....	....	....
Wheeling & Lake Erie 1st 5's....1926	1,265,000	A & O	92½	Nov. 16,'97	92½	91½	11,000
" Trust Co. certificates......	1,735,000	......	....	....	....	....	....
" Wheeling div. 1st g. 5's.1928	1,500,000	J & J	77	Nov. 1,'97	77	77	5,000
" exten. and imp. g. 5's...1930	1,624,000	F & A	70	Feb. 3,'97	....	....	....
" consol mortgage 4's....1992	1,600,000	J & J	62¼	July 20,'96	....	....	....
Wisconsin Cent.Co. 1st trust g.5's 1937	1,987,000	J & J	34	Nov. 16,'97	34	34	43,000
" eng. Trust Co. certificates.	10,013,000	......	34	Nov. 27,'97	34¾	32½	148,000
" income mortgage 5's...1937	7,775,000	A & O	5	Oct. 21,'97	....	....	....

UNITED STATES GOVERNMENT SECURITIES.

Name Principal Due.	Amount.	Int'st Paid.	Year 1897 High.	Year 1897 Low.	November Sales. High.	November Sales. Low.	November Sales. Total.
United States 2's registered........Opt'l	25,364,500	Q M	98½	98¼	....	....	......
" 4's registered..............1907	559,634,000	J A J&O	113⅛	110⅝	113⅛	112¾	96,500
" 4's coupon..................1907		J A J&O	114⅛	111⅝	114⅛	113¾	31,000
" 4's registered..............1925	162,315,400	Q F	127½	120¼	127¼	127¼	20,000
" 4's coupon..................1925		Q F	128½	120⅛	128½	127⅝	43,000
" 5's registered..............1904	100,000,000	Q F	115	113	115	113¼	12,000
" 5's coupon..................1904		Q F	115⅞	113	114⅞	114	86,000
" 6's currency..................1898	29,904,952	J & J	103½	102¾	102¾	102¾	10,000
" " 1899	14,004,560	J & J	107¾	106½	....	....	......
" 4's reg. cer. ind. (Cherokee)1898	1,660,000	MAR	....	....	....	....	......
" " 1899	1,660,000	MAR	106⅝	106⅝	....	....	......

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS.

NAME. *Principal Due.*	*Amount.*	*Int'st Paid.*	LAST SALE. *Price.*	*Date.*	NOVEMBER SALES. *High.*	*Low.*	*Total.*
American Cotton Oil deb. g. 8's..1900	3,068,000	Q F	108	Nov. 26,'97	108	107	20,000
Am. Spirit Mfg. Co. 1st g. 6's....1915	2,000,000	M & S	74⅞	Nov. 18,'97	80	74⅞	15,000
Atlanta Gas Light Co. 1st g. 5's..1947	1,150,000	J & D	....		....	....	....
Barney & Smith Car Co. 1st g. 6's.1942	1,000,000	J & J	....		....	....	....
Bost. Un. Gas tst ctfs s'k f'd g. 5's.1939	7,000,000	J & J	92	July 26,'97	....	....	....
B'klyn Union Gas Co. 1st con. g. 5's.1945	13,081,000	M & N	110½	Nov. 30,'97	111	110	295,000
B'klyn Wharf & Wh. Co. 1st g. 5's.1945	17,500,000	F & A	99¼	Nov. 30,'97	100	99	150,000
Chic. Junc. & St'k Y'ds col. g. 5's.1915	10,000,000	J & J	109½	Feb. 9,'97	....	....	....
Colo. Coal & Iron 1st con. g. 6's..1900	2,954,000	F & A	93	Nov. 15,'97	94	92½	15,000
Colo. C'l & I'n Devel. Co. gtd g. 5's.1909	700,000	J & J	98	July 12,'97	....	....	....
" Coupon off................	....	......	....		....	....	....
Colo. Fuel Co. gen. g. 6's..........1919	1,043,000	M & N	108½	Nov. 10,'92	....	....	....
Col. Fuel & Iron Co. gen. sf g 5's..1943	2,021,000	F & A	80	May 27,'96	....	....	....
Columbus Gas Co., 1st g. 5's......1932	1,175,000	J & J	....		....	....	....
Colo. Hock. Val. C'l & I'n g. 6's..1917	960,000	J & J	94	Sept. 21,'94	....	....	....
Commercial Cable Co. 1st g. 4's.2397.	11,400,000	Q & J	105½	Nov. 26,'97	105½	105	85,000
" registered....................		Q & J	105⅝	Nov. 30,'97	105⅝	105½	20,000
Detroit Gas Co. 1st con. g. 5's....1918	2,000,000	F & A	95½	Nov. 30,'97	95½	90	264,000
Edison Elec. Illu. 1st conv. g. 5's.1910	4,312,000	M & S	111½	Nov. 27,'97	111½	110½	42,000
" 1st con. g. 5's............1995	2,156,000	J & J	113	Nov. 12,'97	113	112¾	7,000
" Brooklyn 1st g. 5's......1940	1,500,000	A & O	110½	Feb. 4,'97	....	....	....
" registered....................		A & O	....		....	....	....
Equitable Gas Light Co. of N. Y.							
" 1st con. g. 5's............1932	2,500,000	M & S	114	Dec. 14,'96	....	....	....
Erie Teleg. & Tel. col. tr. g s fd 5's.1926	1,960,000	J & J	....		....	....	....
General Electric Co. deb. g. 5's...1922	8,000,000	J & D	102½	Nov. 29,'97	102½	101½	35,000
Grand Riv. Coal & Coke 1st g. 6's.1919	780,000	A & O	90	Nov. 26,'95	....	....	....
Grand Rapids Gas Light Co. 1st							
" g. 5's....................1915	1,225,000	F & A	92½	Mar. 11,'95	....	....	....
Hackensack Wtr Reorg. 1st g. 5's.1926	1,090,000	J & J	107½	June 8,'92	....	....	....
Hend'n Bdg Co. 1st s'k. f'd g. 6's.1931	1,728,000	M & S	111	Aug. 23,'97	....	....	....
Hoboken Land & Imp. g. 5's.....1910	1,440,000	M & N	102	Jan. 19,'94	....	....	....
Illinois Steel Co. debenture 5's...1910	6,200,000	J & J	86	May 8,'96	....	....	....
" non. conv. deb. 5's.......1910	7,000,000	A & O	70	Apl. 23,'97	....	....	....
Iron Steamboat Co. 6's...........1901	500,000	J & J	75½	Dec. 4,'95	....	....	....
Jefferson & Clearfield Coal & Ir.							
" 1st g. 5's.................1926	1,975,000	J & D	107	May 27,'97	....	....	....
" 2d g. 5's..................1926	1,000,000	J & D	80	May 4,'97	....	....	....
Kansas City Mo. Gas Co. 1st g 5's.1922	3,750,000	A & O	....		....	....	....
Lac. Gas L't Co. of St. L. 1st g. 5's.1919	10,000,000	Q F	101	Nov. 29,'97	101¼	100¼	117,000
" small bonds................			97½	Nov. 1,'95	....	....	....
Madison Sq. Garden 1st g. 5's....1919	1,250,000	M & N	102	July 8,'97	....	....	....
Manh. Bch H. & L. lim. gen. g. 4's.1940	1,300,000	M & N	55	Aug. 27,'95	....	....	....
Metrop. Tel & Tel. 1st s'k f'd g. 5's.1918	2,000,000	M & N	108¼	Jan. 5,'92	....	....	....
" registered....................		M & N					
Mich. Penins. Car Co. 1st g 5's...1942	2,000,000	M & S	85	June 5,'97	....	....	....
Nat. Starch Mfg. Co., 1st g 6's...1920	3,887,000	J & J	107	Nov. 17,'97	107	105	11,000
Newport News Shipbuilding & Dry Dock 5's.............1890-1990	2,000,000	J & J	94	May 21,'94	....	....	....
N. Y. & N. J. Tel. gen. g 5's cnv..1920	1,261,000	M & N	100	June 4,'95	....	....	....
N. Y. & Ontario Land 1st g 6's...1910	443,000	F & A	92¼	May 5,'96	....	....	....
North Western Telegraph 7's....1904	1,250,000	J & J	107	May 13,'89	....	....	....
Peop's Gas & C. Co. C. 1st g. g 6's.1904	2,100,000	M & N	111	Nov. 16,'97	111	111	2,000
" 2d gtd. g. 6's............1904	2,500,000	J & D	108	Nov. 23,'97	108	107½	7,000
" 1st con. g 6's............1943	4,900,000	A & O	114	Nov. 29,'97	114	114	31,000
Chic. Gas Lt & Coke 1st gtd g. 5's.1937	10,000,000	J & J	105	Nov. 30,'97	105	102⅝	70,000
Con. Gas Co. Chic. 1st gtd. g. 5's.1936	4,346,000	J & D	100	Nov. 23,'97	100	99	20,000
Eq. Gas & Fuel, Chic. 1st gtd. g. 6's.1905	2,000,000	J & J	106	Nov. 4,'97	106	106	1,000
Peoria Water Co. g 6's......1889-1919	1,254,000	M & N	100	June 23,'92	....	....	....
Pleasant Valley Coal 1st g 6's....1920	590,000	M & N	106⅞	Oct. 14,'95	....	....	....

BOND QUOTATIONS.—Last sale, price and date; highest and lowest prices and total sales for the month.

NOTE.—The railroads enclosed in a brace are leased to Company first named.

MISCELLANEOUS BONDS—*Continued.*

NAME. Principal Due.	Amount.	Int't paid.	Last Sale. Price.	Last Sale. Date.	November Sales. High.	November Sales. Low.	November Sales. Total.
Procter & Gamble, 1st g 6's......1940	2,000,000	J & J	117	Dec. 12,'95	....	....	....
St. Louis Terml. Cupples Station.1917 & Property Co. 1st g 4½'s 5-20......	2,000,000	J & D	....	....	....	....	....
So. Y. Water Co. N. Y. con. g 6's..1923	478,000	J & J	101	Feb. 19,'97	....	....	....
Spring Valley W. Wks. 1st 6's....1906	4,975,000	M & S	....	....	....	....	....
Standard Rope & Twine 1st g. 6's.1946	2,955,000	F & A	60	Nov. 26,'97	60¾	59¾	82,000
" " inc. g. 5's.1946	7,500,000	......	12	Nov. 30,'97	13½	11	64,000
Sun. Creek Coal 1st sk. fund 6's..1912	400,000	J & D	....	....	....	....	....
Ten. Coal, I. & R. T. d. 1st g 6's...1917	1,244,000	A & O	83	Nov. 15,'97	83	83	5,000
" Bir. div. 1st con. 6's...1917	3,399,000	J & J	85	Nov. 18,'97	87½	85	15,000
Cah. Coal M. Co. 1st gtd. g 6's..1922	1,000,000	J & D	84	May 2,'95	....	....	....
De Bard. C & I Co. gtd. g 6's...1910	2,428,000	F & A	81½	Aug. 16,'97	....	....	....
U. S. Leather Co. 6% g s. fd deb..1915	6,000,000	M & N	114	Nov. 24,'97	114	112	26,000
Vermont Marble, 1st s. fund 5's..1910	640,000	J & D	....	....	....	....	....
Western Gas Co. col. tr. g. 5's....1933	3,805,500	M & N	108	Sept. 28,'97	....	....	....
Western Union deb. 7's.....1875-1900	3,680,000	M & N	107	June 26,'96	....	....	....
" 7's, registered...........1900		M & N	107	Feb. 6,'96	....	....	....
" debenture, 7's......1884-1900	1,000,000	M & N	105½	July 7,'97	....	....	....
" registered..................		M & N	104½	Nov. 12,'97	104½	104½	38,000
" col. trust cur. 5's 1938	8,502,000	J & J	109½	Nov. 30,'97	109½	108½	40,000
Mutual Union Tel. s. fd. 6's....1911	8,502,000	J & J	111½	Aug. 17,'97	....	....	....
Wheel L. E. & P. Cl Co. 1st g 5's.1919	846,000	J & J	68	Dec. 23,'96	....	....	....
Whitebrst Fuel gen. s. fund 6's..1908	570,000	J & D	....	....	....	....	....

Exports and Imports of the United States.

MONTH OF OCTOBER.	MERCHANDISE. Exports.	MERCHANDISE. Imports.	MERCHANDISE. Balance.	Gold Balance.	Silver Balance.
1892................	$87,860,919	$71,999,550	Exp., $15,861,369	Imp., $2,634,080	Exp., $12,464
1893................	87,675,481	51,735,322	" 35,940,159	" 1,072,919	" 2,039,604
1894................	83,653,121	60,019,986	" 23,633,135	" 519,851	" 3,445,119
1895................	87,090,972	75,080,344	" 12,010,628	Exp., 76,857	" 3,202,616
1896................	113,516,586	50,467,319	" 63,049,276	Imp., 27,617,915	" 3,800,899
1897................	111,792,449	49,969,813	" 61,822,636	" 11,030,170	" 3,533,681
TEN MONTHS.					
1892................	753,171,018	708,105,559	Exp., 45,065,459	Exp., 49,180,486	Exp., 10,184,911
1893................	690,897,354	677,060,694	" 13,836,660	" 9,244,963	" 20,453,046
1894................	660,271,397	563,610,028	" 96,661,369	" 73,295,312	" 31,434,791
1895................	645,018,438	676,123,483	Imp., 31,105,045	" 44,427,200	" 33,886,562
1896................	779,578,476	572,555,608	Exp., 207,022,868	Imp., 35,631,925	" 41,821,303
1897................	858,030,691	638,734,259	" 219,296,432	Exp., 8,486,720	" 38,099,979

New Counterfeit $5 Silver Certificate.—Series 1891; check letter D; J. Fount Tillman, Register; D. N. Morgan, Treasurer; portrait of Grant; small scalloped carmine seal. This counterfeit is apparently printed from plates made by the photo-mechanical process and is well executed, especially the lettering, seal and entire back of note. The numbers are too small and poorly formed, but of good color. In the genuine portrait the inner side of the collar is shown; in the counterfeit it is not, the line of the beard not being clearly defined, being separated from the necktie and coat by a fine white line; in fact the whole portrait does not stand out in relief as in the genuine, but has a flat appearance. The imprint of the Bureau of Engraving and Printing on back of note is indistinct. The note is neither as long nor as wide as the genuine. The color of the seal is excellent. The quality of the paper is good, but the silk threads of the genuine are imitated by red ink lines, and these on the back of note only.

BANKERS' OBITUARY RECORD.

Beveridge.—M. W. Beveridge, Vice-President of the Second National Bank, Washington, D. C., and one of the best-known and most successful business men of that city, died Nov. 14, aged sixty-six years.

Blood.—Aretas Blood, President of the Second National Bank, Manchester, N. H., an extensive manufacturer and large real estate owner, died Nov. 24, aged eighty-one years.

Bush.—James H. Bush, Vice-President of the Capital State Bank, Boisé, Idaho, died Nov. 22, at the age of fifty-five years.

Chadwick.—S. W. Chadwick, a banker at Greensboro, Ala., died recently.

Clark.—W. H. Clark, President of the Shiawassee County Bank, Durand, Mich., died Nov. 26, aged seventy-three years.

Dixon.—Ex-United States Senator Nathan F. Dixon, President of the Washington National Bank, Westerly, R. I., died Nov. 8. He was born at Westerly in 1847. After graduating at Brown University, he began the practice of law, and successively held the offices of U. S. District Attorney, State Senator, Representative in Congress and United States Senator.

Goodale.—S. L. Goodale, formerly President of the Saco and Biddeford Savings Institution, Saco, Me., and the first Secretary of the State Board of Agriculture, died Nov. 5, aged eighty-two years.

Holden.—Hiram L. Holden, Cashier of the Central National Bank, Pueblo, Colo., died by his own hand, Nov. 9.

Hurlbut.—Henry A. Hurlbut, a director of the Second National Bank, New York city, and one of its founders and first President, died Nov. 11, in his eighty-ninth year. He began life as a hatter's apprentice, and soon engaged in the business himself, in which he made a fortune. Mr. Hurlbut was one of the incorporators of the Equitable Life Assurance Society, and for many years a trustee of the Mercantile Trust Co. He was prominently identified with many benevolent enterprises.

Ridgway.—Hon. Thos. S. Ridgway, former State Treasurer of Illinois, and President of the First National Bank, Shawneetown, Ill., died Nov. 17. Mr. Ridgway was born in White county, Ill., August 30, 1826. In early life he was engaged in mercantile business, but in 1865 went into banking and assisted in organizing the institution of which he became Cashier and later President. He was formerly President of the Springfield and Illinois Southern Railway Co., and in 1874 was elected State Treasurer on the Republican ticket. Mr. Ridgway was a liberal, public-spirited man, prominent in public enterprises in his section of the State.

Russell.—John J. Russell, for twenty-five years Treasurer of the Plymouth (Mass.) Savings Bank, and connected with several other business enterprises, died Nov. 16.

Sandy.—J. G. Sandy, President of the First National Bank, Indianola, Iowa, died at Colorado Springs, Colo., Nov. 23.

Scott.—Wm. G. Scott, President of the Second National Bank, and Secretary of the firm of Gaar, Scott & Co., Richmond, Ind., died Nov. 18, aged seventy-three years. He began life in Richmond as a poor boy, and at the time of his death was worth more than $500,000.

Shipp.—Geo. Shipp, Vice-President of the Farmers' National Bank, Webster City, Iowa, since its organization, died Nov. 18.

Shotwell.—Joseph M. Shotwell, Vice-President of the California Safe Deposit and Trust Co., San Francisco, and manager of the Merchants' Exchange of that city, died Nov. 11, aged sixty-three years.

Vermillion.—William Vermillion, Cashier of the First National Bank, Smithfield, Ohio, dropped dead in the bank on Nov. 5.

Woomer.—Hon. E. M. Woomer, a former member of Congress, and Cashier of the People's National Bank, Lebanon, Pa., died Nov. 29, aged fifty-three years.